

# EXAMINING PROFESSIONAL BOXING: ARE FURTHER REFORMS NEEDED?

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HEARING  
BEFORE THE  
SUBCOMMITTEE ON  
COMMERCE, TRADE, AND CONSUMER PROTECTION  
OF THE  
COMMITTEE ON ENERGY AND  
COMMERCE  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED EIGHTH CONGRESS  
SECOND SESSION

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## CONTENTS

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	Page
Testimony of:	
Ali, Muhammad, accompanied by Lonnie Ali and Ron DiNicola .....	6
English, Patrick C., Dines & English, LLC .....	10
Mack, Robert, World Boxing Association .....	16
Sirb, Gregory, Executive Director, Pennsylvania State Athletic Commis- sion .....	13
Spizler, Bruce, Maryland State Athletic Commission .....	21
Thomas, James J., II, McKenna Long & Aldridge .....	31
Additional material submitted for the record:	
McCain, Hon. John, a U.S. Senator from the State of Arizona, prepared statement of .....	51



## **EXAMINING PROFESSIONAL BOXING: ARE FURTHER REFORMS NEEDED?**

**THURSDAY, SEPTEMBER 9, 2004**

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON ENERGY AND COMMERCE,  
SUBCOMMITTEE ON COMMERCE, TRADE,  
AND CONSUMER PROTECTION,  
*Washington, DC.*

The subcommittee met, pursuant to notice, at 9:30 a.m., in room 2322, Rayburn House Office Building, Hon. Cliff Stearns (chairman) presiding.

Members present: Representatives Stearns, Shimkus, Terry, Issa, Sullivan, Barton (ex officio), Schakowsky, Rush, Green, and McCarthy.

Also present: Representative Osborne.

Staff present: Chris Leahy, majority counsel and policy coordinator; David L. Cavicke, majority counsel; Brian McCullough, majority professional staff; William Carty, legislative clerk; and Jonathan J. Cordone, minority counsel.

Mr. STEARNS. Good morning, everybody, and welcome to the Subcommittee on Commerce, Trade, and Consumer Protection.

I think it is fair to say that boxing has produced some of the greatest athletes this country has ever known. Boxers are magnificent athletes that deserve a great deal of respect. Their athletic skills dazzle us. Their dedication to the rigors of training and plain hard work is to be admired, and the stories of small time boxers pulling themselves up by their bootstraps to rise up from a life of poverty inspires even the most cynical among us.

With that said, I would like to personally and warmly welcome as one of our distinguished witnesses one of those real live stories of inspiration, dedication and grace, a boxer and a legendary champion who is an American hero to so many people around the world, the greatest, the great Muhammad Ali. We thank you and, of course, your wonderful wife, Lonnie, for joining us this morning.

The boxing world is rich with lore, legend and larger than life figures, but it is also full of struggling, anonymous fighters who are away from the limelight of big time promotion, who travel from town to town and fight to fight, just trying to make an honest living.

They train as hard as any heavyweight contender, are committed to the sport they love, but sometime face conditions that are unsafe, businessmen who are unethical and a future that is often uncertain.

There are also the stories of those who have suffered great injury and even death in the largely unseen world of competitive boxing at the local level. These are the men, and now women, that deserve the protection the law affords both in and outside the ring.

My colleagues, in 1996 Congress passed legislation reported by this committee to help clean up the sport. The Professional Boxing Safety Act required all professional boxing matches to be conducted under supervision of the State authorized boxing commission, created uniform registration and licensing, and established minimum safety standards.

The Muhammad Ali Boxing Reform Act of 2000 expanded on the 1996 law to prohibit financial conflicts of interest between boxing managers and promoters, required certain financial disclosure to the Federal Trade Commission, and placed certain restrictions on contracts between boxers and promoters and managers.

In an attempt to gauge the status of the sport after this significant Federal legislation, the General Accounting Office in 2003 conducted a study on professional boxing that focused on six elements designed to better protect the health and safety of boxers. Among them were medical exams, monitoring of training injuries, health and life insurance, and the presence of appropriate medical personnel at all and each event.

As we reflect and examine the important work accomplished to date, this committee first must determine if reforms are working; and while protecting the most vulnerable among us, either in sport or any other context in America, is a truly laudable goal, a question remains: Will additional Federal oversight to police the sport improve the lives of the ordinary boxers or, in the alternative, can we examine what has been accomplished by the most recent Federal legislation and perhaps look at other non-governmental approaches that would accelerate the pace of reform and increase protection for these elite athletes?

Today's hearing will offer an excellent opportunity for committee members and the public to explore these issues and questions, as well as hear from the regulators, sanctioning bodies and, most importantly, the athletes about what is working and what needs attention.

With that, again I would like to again graciously thank our distinguished panel of witnesses for joining us today. We look forward to their testimony.

With that, I would like to offer Ms. Schakowsky, the ranking member, a opening statement.

Ms. SCHAKOWSKY. Thank you, Mr. Stearns. I am going to put the bulk of my statement into the record so that we can proceed as quickly as possible to our esteemed witness today and our panels.

I want to personally thank you, Mr. Muhammad Ali, and your wife, Mrs. Ali, for being here today. You really are, as you, I am sure, know, one of the great heroes of our time, and I appreciate so much your generosity of spirit and the courage that you have continued to show to keep fighting for the things that you care so much about, the issues that are so important, and for providing the kind of inspiration that young people need so much today to do the same thing, to keep on fighting.

So we are going to consider legislation—consider the issue of whether or not there needs to be more regulation of the sport that you love so much, and we welcome your input and your help in making those decisions as we try and set policy.

So I thank you very much, and ask unanimous consent to put my statement fully into the record.

Mr. STEARNS. By unanimous consent, so ordered.

[The prepared statement of Hon. Jan Schakowsky follows:]

PREPARED STATEMENT OF HON. JAN SCHAKOWSKY, A REPRESENTATIVE IN CONGRESS  
FROM THE STATE OF ILLINOIS

Thank you, Chairman Stearns, for holding today's hearing on boxing and whether new regulations are needed to ensure that boxer's health and financial interests are protected. I would also like to thank our panelists for joining us today—especially you, Mr. Ali, for sharing your ideas about how to improve the governance of the sport you love.

As you know, historically the regulation of boxing has been purely under the jurisdiction of the states. In the mid-1990's, when reports of corruption and scandals became more frequent, Congress decided it was time to take a closer look at the sport. After all, boxing is no small affair: the sport generates over \$500 million in revenues each year.

With the passage of the Professional Boxing Safety Act in 1996, soon followed by the Mohammed Ali Act in 2000, minimum standards were set to protect the physical and economic well-being of the boxer and each state boxing commission was charged with meeting those standards. While some states, such as Pennsylvania and Nevada, have strong boxing commissions that go well beyond the minimum federal requirements, there is still concern that other states are ignoring the regulations.

Many argue that federally-mandated health and safety standards are not being adhered to because no corresponding government regulatory body exists. The absence of a national commission makes boxing unlike all other major professional sports and, I believe, should give us pause.

Boxing is also unlike many other sports in that there are very serious physical repercussions. That means if the health and safety standards are not being met, if the professionals who are used to monitor boxers' fitness are not experts in the appropriate medical fields, the boxers' very lives are at stake. Approximately 50 boxers have died in the ring over the last 35 years.

Additionally, because so many parties have a financial stake in each boxing match, and their interests may run counter to getting the boxer the most favorable contract terms, many boxers end up destitute. In this sense, boxers are like many other kinds of "talent" or "workers"—their gifts are other's fortunes—and they are treated as disposable assets. Now that networks and broadcasters are acting more like promoters, but are not subject to the same regulations that traditional promoters are, I believe that there are new vulnerabilities in this sport that we need to examine.

While I cannot say what the answer to these problems is at this time, I do believe it is our responsibility, as those who set the minimum standards, to ensure that boxers are not being put in the ring without being protected, both physically and economically.

That is why I am glad you all are here with us today to help us determine the best role for the federal government to play to ensure the best interests of those participating in the sport. I look forward to your testimony. Thank you, Chairman Stearns.

Mr. STEARNS. I thank the gentlelady, and now the full chairman of the Energy and Commerce Committee, Mr. Barton, the gentleman from Texas.

Chairman BARTON. Thank you, Mr. Chairman. I appreciate you holding this hearing. I, too, want to welcome Muhammad Ali and his wife and his attorney to bring much needed light to the status of boxing in America.

I am not going to give my entire written statement. I will paraphrase a part of it. There is apparently a situation in the boxing community where all these various rankings are supposed to be or-

ganized and held to some standard that is verifiable, but at least anecdotally, our understanding of a story in which a boxer started out at No. 10, didn't fight for a year, rose to No. 7 in the rankings, died of meningitis and moved up to No. 5 in the world, and nobody knew about it until a reporter says, well, that gentleman has been dead for months.

If that is a true story, and I hope we find out at this hearing, it shows how appalling some of the organizations are in the sport that claim to lead it. So I hope we can get some answers today.

Again, I want to thank Mr. Ali and his family. This hearing would not have nearly the publicity if he wasn't here, and we really do appreciate it.

[The prepared statement of Hon. Joe Barton follows:]

PREPARED STATEMENT OF HON. JOE BARTON, CHAIRMAN, COMMITTEE ON ENERGY  
AND COMMERCE

Thank you, Mr. Chairman, for holding this hearing today.

Championship boxing matches can be as exhilarating, strategic, and graceful as any sporting event. America has produced some of the world's greatest champions—including the Greatest of All who is with us today—Muhammad Ali. He and his fellow boxers at every weight class have thrilled us as amateurs in the Olympics and later as professionals.

Unfortunately for the boxers, they often battle odds significantly greater than the odds of defeating their opponent in the ring once they leave the amateur ranks and enter the world of professional boxing. And for the vast majority of boxers who are not in the elite class, the hurdles can be even greater. These athletes can face obstacles more dangerous than any other athlete—from the health risks of the demanding physical nature of the sport to the financial exploitation of many boxers for others' personal gains. As a result, the history of boxing and the perception of its treatment of boxers continually plague its image as a premier sport.

Congress has recognized the problems regarding the safety of boxers and the business aspects that are unique to the world of boxing. We have attempted to address these concerns through Federal legislation twice in the past eight years that establishes requirements for the states to follow without creating a Federal regulatory regime.

The reforms Congress enacted established the sharing of health records and medical suspensions for boxers who have failed the basic physical requirements due to injury. These were meant to prevent a fighter from being licensed in another state and entering the ring until such time as he was physically able to return. However, stories have been reported that the medical suspensions are not always enforced by some states in spite of the law. I am informed of one example that involves a fighter who had four matches when he was supposed to be barred from boxing due to a medical suspension.

Another more widely publicized match unfortunately resulted in trauma to a boxer in the ring. The Federal law requires medical personnel to be present at ringside. Unfortunately for the boxer, the doctor on hand during his match was not at ringside and time was wasted before any medical attention was provided to the boxer after he was knocked down. My point is that the states are required to follow the law and yet it appears that is not always the case.

Equally troubling are the business aspects of professional boxing. One of the requirements of the law is that sanctioning organizations have clear, objective rankings criteria. I am told the boxing community is well aware of the story of a boxer who rose to number 10 in the rankings without fighting for a year, rose further in the rankings to number 7, died of meningitis, and was subsequently ranked number 5 in the world—without ever fighting—for an additional four months before it was noticed by a reporter. This occurred despite the Federal Law—the Muhammad Ali Act. Errors may occur, but there has to be some accountability if the credibility of the sport is to be restored.

The question really is whether the states are up to the job and we need to simply enforce current law, or whether any Federal law will ever remedy some of the problems that seem to be inherent in boxing.

I am glad we have very knowledgeable witnesses to explain what is happening with boxing and whether the changes we previously made are effective. I know there are strong feelings about this issue and greatly appreciate the dedication and



determination of all our witnesses. In particular, I commend Muhammad Ali for his unwavering desire over the years to improve his sport for all boxers.

Again, thank you Mr. Chairman.

Mr. STEARNS. I thank my colleague.

Ms. McCarthy.

Ms. MCCARTHY. Thank you, Mr. Chairman. I am going to put my remarks in the record. I just want to welcome Muhammad and Lonnie Ali, and thank you both. You are a great team. You are one of the most recognized and prettiest man and woman, and we thank you for all that you do, and I look forward to supporting the legislation and seeing it enacted into law. I yield back, Mr. Chairman.

[The prepared statement of Hon. Karen McCarthy follows:]

PREPARED STATEMENT OF HON. KAREN MCCARTHY, A REPRESENTATIVE IN CONGRESS  
FROM THE STATE OF MISSOURI

Thank you, Chairman Stearns and Ranking Member Schakowsky for convening this hearing today. I would like also to extend my warmest welcome to Mr. and Mrs. Ali who have graciously decided to participate in the debate. I am very glad that you were able to make the trip to Washington to be with us.

This committee has taken the issue of boxing reform up before, once in 1996, and again in 2000. I supported the 1996 reforms and the 2000 "Muhammad Ali Boxing Reform Act" that honors Mr. Ali's commitment to boxing reform. At the time, I hoped those measures would be sufficient to curb the exploitation of the athletes, and to see to their health and safety. It is disappointing to learn that the states and various boxing commissions have not decided on their own to embrace the spirit of "The Muhammad Ali Boxing Reform Act" and establish enforceable, uniform practices that protect the health of the athletes and encourage ethical business standards.

I feel strongly that this body needs to act when it is called on to do so, but that we should be wary of the temptation to over-extending our reach beyond where it is truly needed. Today's meeting has been called to decide just that issue.

Because my home state of Missouri has already moved to address some of the issues before the committee, I would like to voice two concerns the director of the Missouri Office of Athletics has regarding the passage of S 275 that he wished to share with the committee in person, but was unable to because of scheduling conflicts:

1. The concern that the duplicitous licensing fees may encourage boxers to leave Missouri by increasing the cost of boxers to ply their trade in the state.
2. The potential to further discourage boxing matches by increasing strict medical requirements for boxers that will price rural venues out of the market.

However, if abuses still exist, I would like to hear in this morning's testimony how the various boxing commissions and states are moving to address the safety and management problems raised by our panelist.

Again, I would like to thank the esteemed panelists for sharing their expertise with this committee, with a special thank you to Muhammad Ali for his continued activity and use of his celebrity status to improve other people's lives.

Mr. STEARNS. I thank the gentlelady.

The gentleman from California.

Mr. ISSA. Mr. Chairman, I would ask unanimous consent that all of us be allowed to put our official statements in the record, and that we move on to the testimony, if there are no objections.

Mr. STEARNS. I thank the gentleman.

Mr. Sullivan, anything?

Mr. SULLIVAN. No.

Mr. STEARNS. With that, we will dispense with any further opening statements and move directly to the first panel: Mr. Muhammad Ali, his wife, Lonnie, and also accompanied by Lonnie is Ron DiNicola, Mr. DiNicola.

So with that, Mrs. Ali, we will welcome your opening statement. Thank you.

**STATEMENT OF MUHAMMAD ALI; ACCOMPANIED BY LONNIE ALI; AND RON DiNICOLA**

Ms. ALI. Thank you, Mr. Chairman and the subcommittee for the invitation to be here this morning.

Mr. STEARNS. I think we need you to take the mike, bring it over to you, and then turn it on.

Ms. ALI. Oh, it is not on?

Mr. STEARNS. No, it is just a little push button there.

Ms. ALI. Oh, okay, it is on.

Thank you, Mr. Chairman and members of the subcommittee for the invitation to be here this morning. It will be my pleasure to read this statement on behalf of Muhammad.

"I have had the pleasure of appearing before Congress several times in recent years to lend my support to the passage of laws that will better protect the sport that I love and the health and welfare of thousands of young boxers.

"I am here today, because the work of improving boxing is not yet done. To answer questions posed by this committee, yes, more reform is needed in the sport.

"While this is modern boxing's second century in America, efforts to reform it at the Federal level have been underway for only about 8 years. While much progress has been made, much more is needed.

"Largely as a result of the work of my friend, Senator John McCain, Congress took an important first step when it passed the Professional Boxing Safety Act in 1996. This legislation was an attempt to address medical and safety issues by requiring each professional boxer to register for a Federal ID card.

"This has been one of the most successful reforms to date, because it has precluded fighters from getting knocked out one night and traveling across State lines to fight the next.

"In 2000, Congress attached my name to their next important reform measure, the Muhammad Ali Boxing Reform Act. The Ali Act amended the 1996 law and addressed contractual issues, and required broad financial disclosures to boxers by promoters and rating organizations, and outlaws coercive contracts between boxers and promoters.

"While portions of this measure have been effective, and more transparency exists today in boxing that at any other time in history, there are still disturbing indications that Federal, state, and tribal enforcement of boxing laws has been spotty and, in some respects, nonexistent.

"A 2003 General Accounting Office report found that there is varying degrees of oversight among the State and tribal commissions. The GAO found a lack of consistency in compliance with Federal boxing laws among State and tribal commissions, and it does not provide adequate assurance that professional boxers are receiving the minimum protections established in Federal law.

"This is why I have lent my support to further measures that will give real teeth to the Federal oversight and enforcement. The Professional Boxing Amendments Act, Senator McCain's bill, S.

275, does this. It is a bold step, the right step, at an important time in history of the sport.

"Reform measures are unlikely to succeed unless a U.S. Boxing Commission is created with authority to oversee a sport that still attracts a disproportionate number of unsavory elements that prey upon the hopes and the dreams of young athletes.

"This latest proposal is the culmination of the hard work and determination of Congress to make a difference once and for all and to require uniform safety standards, fair rating standards, full financial disclosure, and universal licensing.

"Those of us who have lent our voice to this reform effort over these several years are proud that after careful scrutiny, this legislation passed the Senate by unanimous consent.

"While Congress is rightly concerned about the rising cost of Federal programs, this legislation uses the licensing fees paid by promoters, sanctioning bodies, and television broadcasters to help offset its costs. The added savings in the form of increased boxer safety, more honest business practices and greater public confidence cannot be measured in terms of dollars and cents.

"For all of its difficulties, boxing is still a wonderful sport. It still attracts men and women from all walks of life to reach for the glory in the ring. For many, it is their first experience with hard work, determination and discipline. For still others, it remains the only way up and out from a life filled with bad choices, failure or worse.

"Some say that it is a miracle that a black boy from Kentucky named for a slave master and born in a segregated south can grow up and become one of the most recognized, and prettiest"—I didn't add that—"men on the face of the earth. In truth, it is a miraculous story that springs from the deepest wells of America and, in this case, boxing was the vehicle for my success.

"This is not uncommon. Armed with the discipline they learned from boxing, many go on to achieve success or even greatness in other professions, and raise children who do. They become doctors, lawyers, teachers, or even Members of Congress. As in the case of my old friend Nelson Mandela, the courage instilled from boxing allows them to endure great hardship and become great leaders.

"In sum, Mr. Chairman, there is nothing wrong with boxing that we cannot fix. I urge this subcommittee to seize this opportunity to complete the important work that you have begun.

"Thank you very much."

[The prepared statement of Muhammad Ali follows:]

#### PREPARED STATEMENT OF MUHAMMAD ALI

Mr. Ali is appearing with his wife, Lonnie Ali, and his attorney, Ron DiNicola. Thank you Mr. Chairman and members of the Subcommittee for the invitation to be here this morning.

I have had the pleasure of appearing before Congress several times in recent years to lend my support to the passage of laws that will better protect the sport I love and the health and welfare of thousands of young boxers.

I am here today because the work of improving boxing is not yet done. To answer the question posed by this Committee—yes, more reform is needed.

While this is modern boxing's second century in America, efforts to reform it at the federal level have been underway for only about eight years. While much progress has been made, much more must be done.

Largely as a result of the work of my friend Senator John McCain, Congress took an important first step when it passed the Professional Boxing Safety Act in 1996.

This legislation was an attempt to address medical and safety issues by requiring each professional boxer to register for a federal ID card.

This has been one of the most successful reforms to date because it has precluded fighters from getting knocked out one night and traveling across state lines to fight the next.

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While portions of these measures have been effective, and more transparency exists today in boxing than at any other time in its history, there are still disturbing indications that federal, state, and tribal enforcement of boxing laws has been spotty and in some respects, non-existent.

A 2003 General Accounting Office (GAO) report found that there is varying degrees of oversight among state and tribal commissions. The GAO found the—lack of consistency in compliance with federal boxing law among state and tribal commissions “does not provide adequate assurance that professional boxers are receiving the minimum protections established in federal law.”

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Reform measures are unlikely to succeed unless a U.S. Boxing Commission is created with authority to oversee a sport that still attracts a disproportionate number of unsavory elements that prey upon the hopes and dreams of young athletes.

This latest proposal is the culmination of the hard work and determination of Congress to make a difference once and for all and require uniform safety standards, fair rating standards, full financial disclosure and universal licensing. Those of us who have lent our voice to this reform effort over these several years are proud that after careful scrutiny, this legislation passed the Senate by unanimous consent.

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In sum, Mr. Chairman, there is nothing wrong with boxing that we cannot fix. I urge this Subcommittee to seize this opportunity to complete the important work you have begun.

Thank you.

Mr. STEARNS. Thank you, Ms. Ali. You mentioned Senator McCain being a strong advocate. I would also recognize a coach, Congressman Tom Osborne, who is to your right here, who just came in. He is sitting over there. He is behind you.

Ms. ALI. Oh, he is over there.

Mr. STEARNS. Mr. Osborne was very strong in advocating the same as Senator McCain. So I think both of them—particularly in the House he has been very strong to help you.

Ms. ALI. Thank you.

Mr. STEARNS. Now your attorney, DiNicola, you are welcome if you want to add anything here. You are not specifically on the

panel, but certainly you are his counsel, and you certainly might want to add a few things to make the argument strong, too.

Mr. DiNICOLA. Thank you, Mr. Chairman. I don't have anything to add. Muhammad has an abiding interest in this issue. He has appeared before a number of committees over the last several years, and is here today to again strongly support continued improvements in boxing, and we thank the subcommittee for this opportunity and the extraordinary work of your staff in helping to facilitate Muhammad's appearance and Lonnie's appearance here this morning. Thank you very much.

Mr. STEARNS. Well, we thank you. We are going to dispense with questions. I would think the argument will come down to whether the Federal Government can do a better job of regulating the sport than the States. Obviously, States like Las Vegas don't agree, and they are pretty active here, and they have made a strong case. They have had a good reputation, they say, and they have a commissioner who has contacted us and others.

So I think that just a general question for you before I let you go, to either you, Ms. Ali, or his counsel, is that the case that the States are making, that they could do a good job, and why should the Federal Government step in.

Now I can almost make the case for you why the Federal Government should, because then it is standard regulations across 50 States instead of having separate standards with no control. But the States that primarily have been promoting boxing, Las Vegas and New York and so forth, feel that they are doing a good job, and so they think that their prototype is something that should be kept in place, and they don't want any Federal regulation that would disrupt that.

So you might want to comment to that.

Mr. DiNICOLA. I would be happy to, Mr. Chairman. There are a number of commissions in the United States that do an extraordinary job, Nevada being one of them, and several others. I see representatives of some of those commissions and the Association of Boxing Commissioners here today, and they do an extraordinary job.

I think that one of the key themes of this legislation, this new legislation, has been that it isn't supposed to supplant the important work at the local level of the local boxing commissions, that it isn't to micro manage boxing at the local level, but rather to provide an umbrella, an oversight capability, if you will, to prevent cracks in the system, to prevent disparate enforcement, to create uniformity and to overall increase a stronger Federal presence in the sport.

I am sure, although none come to mind, that there are other examples of tiered enforcement where State and Federal enforcers can work in a complementary fashion. But certainly, the local commissions play a very important role, and many of them are doing a terrific job.

It is to better—It is to complement that effort, rather than to supplant it, that I think is at the core of this legislation.

Mr. STEARNS. One final note is that I think a lot of the staff and I were concerned that the safety of the fighter in the ring—is there a medical doctor always present, and can you be assured from

State to State, even in not just the main heavyweight bouts, but also the smaller fights in terms of recognition—is there a medical doctor there, and are the States assuring that.

So one aspect about the Federal legislation would be that that would be a demand and mandatory, and that could be enforced from State to State, and you would not have sort of the loose set of laws that would not ensure it. So then that safety of all these fighters would be, I think, much more preserved and protected.

With that, we thank Muhammad and Ms. Ali and the counsel for being with us today, and we will continue with panel No. 2.

Ms. ALI. Thank you very much, all of you.

Mr. DiNICOLA. Thank you, Mr. Chairman.

Mr. STEARNS. We welcome the second panel, which would be Mr. Patrick C. English who is a partner of Dines & English. Mr. English is a former member of the National Association of Attorneys General's Task Force on Boxing; MR. Gregory Sirb, Executive Director, Pennsylvania State Athletic Commission; Mr. Robert Mack, General Counsel & Chairman, Legal Committee, World Boxing Association; Mr. Bruce Spizler, Chairman, Legal Committee, the Association of Boxing Commissioners, Senior Assistant Attorney General, the Maryland State Athletic commission; and last, James Thomas II, attorney for Evander Holyfield and other boxers, who is with McKenna Long & Aldridge law firm.

With that, gentlemen, I welcome you, and we will start with you, Mr. English, for your opening statement.

**STATEMENTS OF PATRICK C. ENGLISH, DINES & ENGLISH, LLC; GREGORY P. SIRB, EXECUTIVE DIRECTOR, PENNSYLVANIA STATE ATHLETIC COMMISSION; ROBERT E. MACK, WORLD BOXING ASSOCIATION; BRUCE C. SPIZLER, MARYLAND STATE ATHLETIC COMMISSION; AND JAMES J. THOMAS II, MCKENNA LONG & ALDRIDGE**

Mr. ENGLISH. Thank you. Good morning. I am going to depart a little bit from my written statement, but at the outset I think I have to say I represent a number of promotional entities. I have represented managers. I represent boxers. I have been involved in about 160 major fights in one capacity or another, but the views that I express, unless otherwise indicated, are my own and not that of any client.

I think that illustrations can show why uniform regulation is necessary, and in my written testimony I give three. I am going to focus on one. One picture is worth 1,000 words, even though it is a word picture that I will be giving.

There is a fellow named Robert Mittleman who is a well known manager and “advisor” to boxers. In about May of this year he pled guilty to fight fixing and attempting to bribe a Federal judge in the District of Nevada in the Federal Court. In sworn affidavits that have now been made public, he admitted to participating in the fixing of several bouts other than the one for which he pled guilty.

In 1999 Mr. Mittleman had been placed on suspension by a boxing commission out of Mexico. The Mexican suspension was duly reported to the national registry of suspensions, administered by a company called Fight Fax under the auspices of the Association of Boxing Commissions.

Now the Association of Boxing Commissions is an organization composed of the duly constituted boxing commissions in the United States and many of the provinces of Canada, and under the previous Acts passed, both the Professional Boxing Health and Safety Act and the Muhammad Ali Act, they are given some responsibility for maintaining a national registry of suspensions.

Mittleman had several licenses from 1999 through 2003. As far as I can determine, he failed to disclose the Mexican suspension on any of those applications, and no jurisdiction checked. This brings us up to today.

Again, in the spring of this year he pled guilty to fight fixing and attempting to bribe a Federal judge, and he is still plying his trade as an “advisor.” His plea was not widely known when it was made. I believe it was made on a Thursday. It didn’t become public until the following Monday. That weekend—that weekend after he had pled guilty, he appeared at a fight in New Jersey and collected a fee as a matchmaker in connection with a fight after he pled guilty.

Obviously, that was not the fault of the New Jersey Commission. They didn’t know that he had recently pled guilty. As I said, it had been kept sealed for a couple of days, but it showed the effrontery of the gentleman.

Now what also shows the problems that we have is that he is still operating in that capacity. In the recent Olympic games super heavyweight Jason Estrada—there is an error in my testimony in terms of the name—expressly stated that he had retained Mr. Mittleman as an “advisor.” Mr. Mittleman is quoted as saying that, when Estrada turns pro, which is now, Mittleman will be selecting the opponents for Estrada.

It is well known in the boxing industry that there is some sort of either a verbal or written contract between the two, and he is continuing to ply his trade.

Now there is no jurisdiction that can currently lift a license, because he has solved that problem for himself by letting his licenses lapse, but he is still operating. No jurisdiction—and I have been in contact with the Association of Boxing Commissions on this; so I can state with certainty that no jurisdiction feels it has the authority to do anything, simply because he is not licensed.

A national commission, hopefully, would have the authority. Now I could repeat that example. That just happens to be a good example, but I could repeat that many times. I won’t bother you with names that you probably would not—hopefully, not recognize, but there are a number of unsavory individuals of that ilk that are still plying their trade in the sport of professional boxing and, frankly, not well advising the young athletes that are associated with them. They are out for themselves, obviously, and they should not be allowed to continue.

Another problem is the spotty enforcement of regulation. There are a number of requirements associated with Professional Boxing Health and Safety Act and the Muhammad Ali Act, the most significant of which, from a business perspective, I think, the biggest change, was a “firewall” between the promoter and between the promoter.

It is very good thing. Mr. Thomas, I am sure, will speak on that. There is no enforcement, zero enforcement, as far as I am aware,

and I think I am aware. There are lines that have been crossed that are well known. Some examples are given in my written testimony, and I urge you to take a look at that.

I know my time is up, and I will stop here. Thank you.

[The prepared statement of Patrick C. English follows:]

PREPARED STATEMENT OF PATRICK C. ENGLISH, DINES & ENGLISH, LLC

CAN BOXING REGULATE ITSELF?

Allow me at the outset to note that my views are my own, and that they do not represent the views of any client.

My testimony is limited to five minutes. Thus, though I could literally write the proverbial book on regulatory omissions, I will instead confine myself to three illustrative examples.

EXAMPLE 1

Robert Mittleman is a well known manager and “advisor” to boxers. In May of this year he pled guilty to fight fixing and to attempting to bribe a federal judge. In sworn affidavits he admitted to participating in the fixing of several bouts other than the one for which he pled guilty.

In 1999 Mr. Mittleman had been placed on suspension by a boxing commission in Mexico. The Mexican suspension was duly reported on the national registry of suspensions, administered by Fight Fax under the auspices of the Association of Boxing Commissions. Yet from 1999 through 2003 Mittleman received a series of licenses from U.S. jurisdictions. As far as I can determine, he failed to disclose the suspension on his applications and no jurisdiction checked the list.

Worse, after he pled guilty he is still plying his trade as an “advisor.” He cannot be suspended because, at the end of 2003, he let his licenses lapse and the ABC takes the position that he cannot be placed on the suspension list because he is unlicensed.

Mr. Mittleman attended the recent Olympic games and the United States Heavyweight at those games, Jason Estrada, expressly stated that he had retained Mittleman as his “advisor” and that Mittleman had promised him that he would get him a 1.2 million dollar signing bonus when he turned professional, after the Olympic games.<sup>1</sup>

What is wrong with this picture?

EXAMPLE 2

There are two major “reality series” currently about to debut. They are big budget productions. Both are being filmed substantially in California and both involve a series of matches involving professional boxers. Both are created by high profile and influential producers.

The California Commission has decided that to enhance the dramatic effect of the series results, including medical suspensions, will not be reported to the national registry. As unwise as that may be, I assume that the Commission has the authority to suspend its own regulations. However, the Professional Boxer Health and Safety Act, passed in 1998, expressly requires that results be reported to the ABC’s boxing registry within 72 hours. In clear violation of the Federal Act—and apparently in clear violation of state public records acts—the results are not being reported. Why? Simply because it is claimed by powerful networks and producers to be “better T.V.” if the results are kept secret until telecast.

To be on the series a boxer must sign a contract giving the series’ producers an exclusive option on the boxer’s services for a five-year term. Further, one of the clauses of the contracts read:

I understand and agree that the nature of the Series is such that Producer, for dramatic purposes, *may make certain misrepresentations to me* and others during the course of my participation in the Series, *which misrepresentations may relate to any and all topics of every kind* and nature whatsoever (including without in any way limiting the generality of the foregoing, the other Participants in the Series, the title of the Series, information supplied about me to the other Participants in the Series, information supplied to me about the other Participants in the Series, events occurring at the Location, the Series Location Annex

<sup>1</sup> For additional information, I am attaching to my testimony an article by Boston Globe Columnist George Kimball, titled “Mittleman the Boxing Middleman.”



and other locations, my status with regard to one or more benefit(s) that may be granted to me, the availability of such benefit, *any Purse, the conditions applicable to any Purse, including without limitation the Grand Purse Awards*, and the choices and decisions I may be required to make that may affect my ability to compete for any Purse or Award). I understand and acknowledge that, while such conduct might otherwise constitute an actionable tort, I have freely and knowingly consented to such conduct. The waivers, releases and indemnities in this agreement, *the Release*, and any other agreement that I may execute in connection with the Series *expressly apply to any and all such misrepresentations at any time*. (emphasis added).

This provision, if in the contract of any existing promoter, would raise a hue and cry. It has generally gone unheralded and certainly unregulated.<sup>2</sup>

#### EXAMPLE 3

The Muhammad Ali Act has a “firewall” provision, prohibiting managers from having an interest in a promotional entity and prohibiting promoters from having interest in managers.

It is not unusual for promotional entities in Europe to both manage and promote boxers. When they come to the United States, obviously, they must comply with Federal law, and create a separation between the two functions.

However, at least one found a way around that prohibition by the simple expedient of delegating responsibility to a licensed promoter. Thus, for example, it had a multi bout agreement with HBO for U.S. TV rights, sold foreign television rights and was ultimately responsible for paying its fighters. It avoided licensing requirements by hiring a site promoter, never filing the contracts with HBO as required, and paying to the site promoter sums necessary to cover the purses. Again, local commissions were unaware of the full role of the promotional company in question because its contracts were never filed. The promotional company now claims that it did not violate the Muhammad Ali Act because, it claims, that it was not the entity primarily responsible for organizing the event despite the fact that it held contracts with both domestic and international telecasters.

This is not an isolated instance. Unlicensed promoters, managers, and advisors abound. Some have criminal records and would be unable to be licensed. There is little enforcement of licensing requirements.

#### CONCLUSION

It has been said that many in boxing thrive upon the chaos which exists in the sport and on the lawlessness of the sport. That is true. Many do. However, I am here to tell you that many abhor that chaos and lawlessness. The late Dan Duva, a friend and client, and the President of Main Events, testified in favor of regulation of the sport. Main Events, a company I represent, supported both the Professional Boxer’s Health and Safety Act and the Muhammad Ali Act, as did many others in boxing.

However, in many respects the states have been unable to enforce the Acts and they certainly do not have the authority or resources to institute the uniform regulations necessary to meaningfully enforce those acts.

No one wants the federal government running their business. That would be, with all respect, a disaster. However, boxing is a regulated industry and ought to be.

Respectfully there should be an authority responsible for uniform standards to work out the sort of gross abuses which makes the playing field far from even. It must have sufficient “teeth” so that licensing and other abuses can be curbed.

I would be happy to respond to any questions you may have.

Mr. STEARNS. I thank the gentleman.

Mr. Sirb.

#### STATEMENT OF GREGORY P. SIRB

Mr. SIRB. Good morning.

Mr. STEARNS. Good morning.

Mr. SIRB. First of all, from everybody in Pennsylvania and to all your constituents in Florida, we wish you the best.

Mr. STEARNS. Thank you very much.

<sup>2</sup>For additional information I am annexing a column written for *Seconds Out* by Tom Hauser on this topic.

Mr. SIRB. My name is Greg Sirb. For the past 14 years I have been Executive Director of the Pennsylvania Boxing Commission, and very proud of it. I am also the Past President of the Association of Boxing Commissions. I live it every day, 24/7. This is what I do for a living.

I have been here for every hearing that we have had, in 1996 and then 2000. I have staunchly supported it all the way through.

For this past year for 2003 we had 856 pro fights. A number of those fights aren't in the big highrises of Nevada and New Jersey. I will grant you, 80 to 90 percent of them are in the backwater States. In the suburbs in the city of Philly, the kids learn a trade and apply it.

We have currently over 23,000 registered boxers in this country. About 12,000—these aren't the soccer playing kids we are talking about. We are talking about a vast majority of minority kids here that educationally cannot withstand some of the problems we have, nor physically should be able to put up with some of the problems we have in the sport.

The current status: The two passages of Federal bills have helped immensely. I am talking somebody from the front line. It has helped us immensely. The creation of the Federal I.D. card, which now every fighter carries, helped us immensely. The process of the disclosures for the boxers has helped them understand the business side of the sport.

The creation of the National Suspension List: The National Suspension List, so that if a kid gets knocked out in Oklahoma, he can't come the next day in Pennsylvania and fight. He is on the list. A concussion doesn't leave you just because you leave your State. It stays, but there are problems that still exist.

There are problems that exist that I think this bill 275 can grab, take hold of, and help. One, enforcement: It has been lax. I don't think there is any question about that. It is up to the State Attorney Generals. That has been a very difficult thing to get through. Why? I don't have that answer.

I am sure there is not the expertise, and I am sure there are a number of things to worry about other than pro boxing.

Second, a more uniform process for the business side of this sport, particularly contracts. Let me give you an example. What would you think tonight—just like today—the Yankees played a double-header today. How about if the next day he got up and said, you know what, I got a little bit more money from the Red Sox; I'm going to play with the Red Sox on Friday. That couldn't happen in pro baseball—could not happen. In boxing, happens, could happen. Could happen.

A contract is not worth one little thing in this sport, because no central agency can control it.

Third, sanctioning bodies—they have to fall under a licensing. We thought a sanctioning body—the story that your preceding chairman, Mr. Barton, talked about—the fighter's name is Morris. I believe it is Darrin Morris. That is a true story. That is fact. A ranking organization based right here in the United States: Fact, their chairman is serving time right now for basically selling their ratings. That is a fact.

Fourth, each State and tribal commission that runs this sport of boxing—admittedly, Chairman Stearns, there are some good ones. There are some very good ones, but I see this law not as a ceiling. This law is the floor. This is where you have to be.

The States—the great States of Nevada, New Jersey, New York, including my State of Pennsylvania—I’m not scared of this law. Why? Because we didn’t do it. This is not to bother me, and I am a very big State’s rights issue. That is very important to me.

When you talk about health and safety of a fighter, you are going into the next realm. You are going into the next realm when you talk about the health and safety of a fighter.

Senate Bill 275 can help this sport. It has to be run the right way. I am little nervous. I will be honest with you, but I will take my chances, because I have seen the other way, and it just is not working, particularly with the fighters. A pension system for these young men that every other sport has and we don’t—it can be done with 275 worked the right way.

I thank you for your time.

[The prepared statement of Gregory P. Sirb follows:]

PREPARED STATEMENT OF GREGORY P. SIRB, EXECUTIVE DIRECTOR, PENNSYLVANIA STATE ATHLETIC COMMISSION

Good Morning: My name is Greg Sirb. For the past fourteen years I have served as the Executive Director of the Pennsylvania State Athletic Commission as well as currently serving as Past President of the Association of Boxing Commissions.

For this past year (2003) there were 856 professional boxing events held in the US, the state of California staged the most boxing events with (108) followed by Texas with 65, Nevada (55), Pennsylvania (54) and Florida with (37). Today there are over 12,000 registered boxers in the US.

My testimony before you today will focus on two parts: first, the status of the game today especially as it pertains to the two federal laws, and second, the changes that still need to be made.

**Current Status**—with the passage of the Professional Boxer’s Safety Act in 1996, two major regulatory changes were made that most definitely improved the sport of boxing. *First was the introduction of the Federal Identification Card*, which is a 6-digit number that identifies each individual boxer and is used to accurately track a boxer’s win/loss record. This I.D. Card has helped boxing commissions to essentially eliminate the practice of boxers trying to use various names or aliases as well as trying to falsify their boxing records. Because of this, accurate record keeping has greatly improved. With all boxing records now being sent to Fight Fax, which is the central registry for all records in the United States, boxing commissions now have up-to-date and accurate information on all boxers so as to help the commissions make a more informed decision on whether to allow a particular match-up.

*The second major part of the Professional Boxer’s Safety Act was the creation of the National Suspension List*, which ensures that boxers competing are not on any type of medical suspensions. By putting this information online all boxing commissions, can easily determine if a particular boxer is on suspension and the reason why.

These two steps, which have been implemented through the Association of Boxing Commissions, have no doubt improved the safety and quality of professional boxing in this country.

With the passage of the Muhammad Ali Act in 2000 three more significant changes were implemented. *First the mandatory disclosures* that are now required for promoters and sanctioning organizations. These disclosures have for the first time given the boxers a general understanding of what type of revenues are being generated from the fights and what expenditures are being deducted from their purses. These disclosures have greatly improved the financial education of professional boxers and have acted as sort of a “sunshine law” on the sometimes-confusing world of revenues and expenditures surrounding championship fights.

*Second, the provisions concerning coercive contracts.* These provisions have entitled boxers and their managers to have a more open market when dealing with certain promoters.

*Third, are the provisions dealing with the rankings of boxers.* By forcing the boxing organizations to disclose their ranking criteria and forcing them to respond to boxers who have questions about these criteria and their own rankings the boxers and the boxing public have become better informed on how this whole ranking process works.

**Improvements/Trouble Spots that need to be addressed:** *First, the enforcement of the two federal laws needs to be improved.* Without proper enforcement these laws are useless. The current system of letting the various State Attorney Generals handle these issues has not been working.

*Second, there needs to be a more uniformed process for the handling of bout agreements, and boxer/manager and boxer/promoter contracts.* These contracts should be on one universally accepted form that must also be on file in one central location so that all parties can readily attain information on a particular boxer's contractual situation. The current system of how commissions compile and enforce these contracts is a mess.

*Third, sanctioning bodies whom rank boxers need to be licensed.* It is only through this process that sanctioning bodies would be forced to agree to some generally accepted business and ranking principles so that the rankings are based strictly on win/loss records and not on who your promoter is or how much influence your promoter may have.

*Fourth, there needs to be sanctions put on those state or tribal boxing commissions that do not up-hold the federal laws or that have antiquated rules/regulations that put the boxer in either physical or financial danger.* Such things as requiring that an ambulance along with paramedics and proper equipment be at ring-side at all times, that the promoter is bonded in a certain amount to ensure all boxers and other bills, including insurance coverage, are paid in a timely fashion, that all boxers agree to and sign a bout contract before each bout, and that procedures are developed to ensure that these bout contracts are up-held by both the promoter and the boxer (so that boxers cannot sign a bout agreement and then not show up) and that all payments agreed upon on these bout contracts are made.

*Fifth, there needs to be some agreement on the type of medicals that are needed for licensure of professional boxers and a system to pay for them.* The current medical requirements vary greatly from state to state as does who is responsible for the payment of these exams—such as (EKGs, EEGs, Eye Exams). It is not uncommon for a Boxer who knows he cannot pass the medicals of one state to search out another state that has less stringent requirements so that they may continue their boxer careers.

*And lastly the formation of some type of pension system for retired boxers.* In a sport where millions are made in one night there needs to be some system set-up so that the wealth is shared, to some degree, with all boxers and not just the privileged few.

Overall I feel that boxing in general has improved as a result of the federal intervention and each of the trouble spots I have mentioned are adequately addressed in Senate bill 275. There is no question that professional boxing, especially at the commission level, is still lacking in three basic areas, Uniformity, Professionalism and Consistency and these three points would be accomplished through the passage of S. 275.

I would like to thank the members of this committee for the opportunity to testify before you this morning and would be willing to answer any and all questions that you may have.

Mr. STEARNS. I thank you.

Mr. Mack. Welcome.

#### STATEMENT OF ROBERT E. MACK

Mr. MACK. Mr. Chairman.

Mr. STEARNS. Pull it right close to you, and I think you have to turn it on. Go ahead. There you go.

Mr. MACK. I don't have the voice Mr. Sirb has. So I am going to have to sit close to the microphone.

Mr. Chairman and members of the committee, I am honored to be here today. My name is Robert Mack. I represent today the World Boxing Association. I am the legal advisor and member of the Executive Committee of the WBA.

I am also here on behalf of the International Boxing Federation, making a joint appearance. The President of the IBF was to join me today and the Ratings Chair, and I think they are on their way from New York. Whether they get here before the hearing is over, I am not sure, in case there were specific questions.

Both of our organizations are sanctioned organizations with international membership and affiliations with various regional and international boxing federations. Related to Chairman Barton's question, which I will deal with later, there are a multiplicity of ranking organizations. However, there are three that are considered the primary organizations, the WBA, the IBF and the World Boxing Council, the WBC.

I wanted to make a few points this morning. First of all, the IBF and the WBA have seriously responded to the legislation that the Congress passed in 1996 and 2000, and we have chosen our procedures in response to that legislation.

Specifically, we have established and reestablished and amended objective and consistent written type criteria for ratings for professional boxers. Those are posted on our websites. We provide boxers and the general public with an opportunity to appeal their ratings, and we post copies of our ratings changes and criteria on our Internet websites.

With regard to the question from Mr. Barton, I believe the rating was done by an organization that I do not represent that uses a computer, and the ratings are done by one individual using a computer; and I cannot speak for that organization, but we have not rated a deceased fighter, to my knowledge in any of our organizations.

In effect, monthly we rank for the WBA 15 fighters in 17 weight categories. So that the committee can understand that, effectively, that is over 250 individual rating decisions made per month. We have had, the WBA, since the passage of your statute and since we have changed our procedure, only one appeal—one appeal—off of those monthly ratings, and that appeal was granted. We have attached an appendix describing the situation regarding that.

Both of our organizations conduct training seminars for referees and judges. Both of us conduct medical seminars at our annual conventions. In addition, we sponsor various community programs.

We provide detailed appeals process so that boxers, managers, and promoters can appeal their ratings decisions, and we have those processes on our website. You are going to have to cut me off if I go too long, Mr. Chairman.

Mr. STEARNS. You are fine.

Mr. MACK. As I said, over the last 2 years the WBA has had only one appeal. I believe the IBF has had two or three.

We have endeavored to work cooperatively with State and tribal regulators on issues of common interest, and we have been meeting with those regulators, most recently at the ABC's annual convention in Charleston, South Carolina, and at a special meeting convened by the ABC in Las Vegas, Nevada, this year to discuss ratings. We both participated in those meetings with the ABC officials.

We acknowledge that improvements can be made to the sport of boxing. As a part of our continuing efforts to improve the sport, we

have jointly worked to create an open dialog on issues. At the last IBF convention—and there is more on this in my prepared remark—there was a panel discussing issues in professional boxing, and included in that discussion was S. 275.

If I may end, Mr. Chair, with some suggestions. We believe that the committee can look at certain improvements in boxing. However, we ask the committee to recognize that no sport, athletic activity or recreational field in the United States has ever been made subject to the sort of comprehensive Federal regulation set out in the Senate bill.

No other sport has ever had proposed a special Federal regulatory agency under the Department of Commerce.

Our comments provide detailed concerns about S. 275, including, we believe, overly broad discretionary powers that would be granted to a Federal commission.

As I tie those to a regulatory expansion found in that bill, we respectfully suggest that the committee look at a number of things that we think can be done. First of all, we believe you can require that all States and tribes establish and enforce minimum health and safety standards, so that boxers are adequately protected everywhere in the United States.

We also believe that you can assist in convening a working group to discuss actions that would assist boxers on financial management issues.

We pledge to participate with you in fully taking the necessary steps to improve the health, safety and general welfare of fighters and the sport in which they compete. We are pledged to do that. We have done that in the last few years, and we will continue to do that at your request.

Thank you, Mr. Chairman.

[The prepared statement of Robert E. Mack follows:]

PREPARED STATEMENT OF ROBERT E. MACK, LEGAL ADVISOR TO THE WORLD BOXING ASSOCIATION

Chairman Stearns, members of the Subcommittee, my name is Robert Mack and I thank you for giving me this opportunity to present the views of the World Boxing Association (WBA). Over the past couple years, the World Boxing Association has worked with the International Boxing Federation (IBF) on efforts to improve the sport of boxing, and I have been authorized by the IBF to submit this testimony on behalf of both organizations, in order to provide you with a broad perspective from world sanctioning bodies. Both the WBA and IBF are sanctioning organizations with international membership and affiliations with regional boxing federations.

The WBA and IBF have complied with the Muhammad Ali Boxing Reform Act (H.R. 1832) since its passage in 2000. In accordance with the Ali Act, the IBF and WBA:

- Have established objective and consistent written criteria for the ratings of professional boxers.
- Provide boxers with the opportunity to appeal their ratings.
- Post copies of all ratings changes and ratings criteria on our internet websites.

Both organizations have devoted considerable time and attention at their annual conferences—as well as at other opportunities—to keeping their members updated on regulatory requirements. In recognition of this, the Government Accounting Office (GAO) has reported that the Federal Trade Commission “periodically checks the various sanctioning organizations’ Web sites,” and that “sanctioning organizations...information was posted on the Internet.” GAO-03-699 (“Professional Boxing”) (July 2003), 5.

Both the WBA and IBF conduct training seminars for boxing referees and judges, in their continuing efforts to assure fair and competent officiating. Additionally, both the WBA and IBF conduct medical seminars at their annual conventions. Each

year, the WBA sponsors several “K.O. Drugs” programs throughout the world and the IBF sponsors annual fundraisers to fund their Special Assistance to Retired Boxers/educational fund.

In addition, both organizations publicize detailed appeals processes, so that boxers, managers, and promoters can have ratings decisions fully and equitably heard and decided. Despite press criticisms of particular rating decisions, they rarely, if ever, result in either an appeal of the decision or a request for rating clarification under 15 U.S.C. § 6307c(b). For example, since the passage of the Ali Act, the WBA has had only one appeal—from Kirk Johnson—and that appeal was granted. (For a complete description of that appeal, with a correction of previously published incorrect characterizations of it, please see the attached Appendix A.)

In addition, both the WBA and IBF have attempted to work cooperatively with state and tribal regulators on issues of common interest, such as ratings criteria and championship bout procedures. Both organizations—and members of other sanctioning bodies—participated this year at the ABC’s annual convention in July in Charleston, South Carolina, and at a special meeting in April in Las Vegas, Nevada to discuss ratings issues.

In spite of our history of strict adherence to the Ali Act, our organizations still encounter unfounded allegations. This record should be clear: both the WBA and IBF have published their rating criteria, and provide boxers and their managers the opportunity to comment on and (if necessary) appeal ranking decisions.

We acknowledge that improvements can be made to the sport of boxing. As a part of our ongoing efforts to improve the sport, the WBA and IBF have jointly worked to create an open dialogue in the boxing community. For example, at its annual convention in June 2004 in San Francisco, the IBF hosted a session titled, “Issues in Professional Boxing.” Over 70 of the world’s top boxers, promoters, matchmakers, sanctioning bodies, state commissioners, media representatives, and officials gathered to discuss the status of the boxing industry and the proposed Professional Boxing Amendments Act of 2004 (S. 275). Among others, New Jersey Athletic Commissioner Larry Hazzard and IBF Heavyweight Champion Chris Byrd participated.

Considerable progress was made at the meeting in identifying solutions to current issues regarding boxing. There was consensus that S. 275 was not the answer to the industry’s problems, and that we should continue the momentum from that meeting to further address these issues.

There are some who believe that the solution to all of boxing’s problems is comprehensive regulation by a new federal government agency. Certainly sanctioning organizations, boxers (and their managers), promoters, and state and tribal commissions should continue to work together to address the important issues. They can do this essentially under the current regulatory framework.

No sport, athletic activity, or recreational field has ever been made subject to the sort of comprehensive federal regulation and preemption of state authority represented by S. 275. Here are some of our concerns. (A full statement is set out in Appendix B, a letter from the IBF and WBA sent previously to this Committee in April of this year.)

**1. S. 275 would make boxing illegal in at least six states**

S. 275 would repeal 15 U.S.C. 6303, which allows professional boxing matches to be held in states without boxing commissions if they are supervised by a neighboring state boxing commission. This could make professional boxing illegal in Alabama, Alaska, Delaware, Minnesota, South Dakota and Wyoming.

**2. S. 275 would create duplicate licensing and fight approval requirements**

S. 275 would create a new federal agency, the United States Boxing Commission, to oversee professional boxing matches in the United States. Currently, state boxing or athletic commissions oversee professional boxing matches in the United States. The bill would require both the USBC and a state athletic commission to license any boxing show which has a 10 round or championship match [Section 4 (b)].

**3. S. 275 expands federal regulation.**

Under S. 275, boxing would become the only sport in U.S. history to be comprehensively regulated by the federal government. The legislation does not adequately recognize the various regulatory requirements imposed by state or tribal jurisdictions, or in other countries.

**4. S. 275 presents issues of appearance of fairness.**

There is no requirement stated in the proposal for neutral officials when boxers represent different states or countries.

**5. The “United States Boxing Commission” powers are extremely broad.**

S. 275 would create a new federal agency with the authority to “conduct any investigation,” “subpoena or compel the attendance of witnesses,” “take evidence and require the production of materials,” “bring actions against individuals,” “issue writs of mandamus,” “intervene in any civil action relating to professional boxing,” and “file a brief in any action filed in the U.S. relating to professional boxing.” This would replace, or be in addition to, already adequate state and federal enforcement authority.

**6. S. 275 would require sanctioning organizations to follow unrealistic notification procedures.**

Currently, sanctioning bodies are required to post a copy of their ratings changes on their internet website or home page. S. 275 requires personal monthly notification for every boxer who experiences a ratings change. Sanctioning bodies do not have individual addresses for the hundreds of boxers included in their worldwide ratings. Furthermore, the addresses of boxers often change, and it would be nearly impossible to assure that each notification reached the intended boxer.

As alternatives to the regulatory expansion found in the Senate bill, we respectfully suggest discussion of the following:

1. Require that all states and tribes establish minimum health and safety standards so that boxers are adequately protected everywhere in the United States.
2. Convene, or assist in convening, a working group to discuss actions that would assist boxers on financial management issues. (The IBF currently requires a mandatory retirement contribution for boxers participating in a championship match.)

Overall, the WBA and IBF believe that the boxing industry should be given the chance to address its problems as other professional sports do. We have begun this process and plan to bring affected parties together over the next year in ongoing forums to improve the sport: for its boxers, its fans, and its own reputation. The most effective reforms should come from boxing itself. We pledge to participate fully in taking the necessary historic steps to improve the health, safety, and general welfare of fighters and the sport in which they compete. Congress can encourage and work with all of us in these efforts. However, we respectfully request that you allow the boxing industry to continue to work with the statutes adopted only a few years ago, and to address its problems itself, as other sports do, before passing additional legislation and creating new government agencies.

## APPENDIX A

### KIRK JOHNSON “APPEAL”—WBA

In its August 2002 ratings for the heavyweight division, the World Boxing Association (WBA) had lowered Mr. Kirk Johnson’s ranking. These ratings were announced in early September 2002. After the announcement, the WBA received an unsigned communication from Mr. Dino Duva (on behalf of Mr. Johnson), which asked that the WBA “contact or call” the writer to discuss the ratings. This communication was treated by the WBA as a type of administrative “appeal”, and the WBA scheduled a public hearing on the appeal in New York City to be held on October 16, 2002.

Others incorrectly interpreted the communication as a request for information under the terms of 15 U.S.C. § 6307c(b). For example, the Executive Director of the Pennsylvania Athletic Commission, Mr. Greg Sirb, was quoted as suggesting that the WBA’s response to the Duva communication showed “blatant disregard for federal law.” McCain, *A Fighting Chance for Professional Boxing*, 15.1 Stanford Law and Policy Review (2004), 26, fn 138. Others also incorrectly repeated “reports that the World Boxing Association (WBA) has violated the Professional Boxing Safety Act.” See attached letter from Senator John McCain to Attorney General John Ashcroft, dated October 11, 2002.

At the request possibly of certain unidentified federal and state officials who alleged that the WBA had violated the Ali Act, the State of California withheld a sanctioning fee from the WBA for an unrelated world title boxing match between Eric Morel and Kaowichit Denkaosoen held in California on October 12, 2002. The participants in that match had no relationship with either Mr. Kirk Johnson or Mr. Duva. In response to that action, the WBA wrote Mr. Rob Lynch, Executive Officer of the California Athletic Commission, on October 22, 2002, setting out the facts of the situation, including the results of the hearing held by the WBA in New York on October 16, 2002. A copy of that letter is attached. At the New York meeting, the WBA heard from representatives of Mr. Johnson and other heavyweight fight-



ers, granted the “appeal” of Mr. Johnson, vacated the August ratings, and issued new ratings for the heavyweight division. No one either appealed, or requested an explanation of, the new ratings issued at the October 16, 2002 hearing.

In a letter dated October 25, 2002, the California Athletic Commission wrote the WBA to inform it that the sanctioning fees that had been withheld on the October 12, 2002 fight in Anaheim, California between Eric Morel and Kaowichit Denkaosaen were being released to the WBA. The California Commission stated that, based on the information it had now been fully provided by the WBA and all parties, “the WBA met their obligation on October 17, 2002.” A copy of that letter is attached.

As a follow up to the actions of the California Commission, and of Senator McCain in suggesting that the Department of Justice investigate the WBA, the WBA wrote Senator McCain, in a letter dated October 25, 2002 (a copy of which is attached), explaining the situation and providing him a copy of the letter sent to Mr. Lynch. No response has ever been received from Senator McCain’s office to that letter. Likewise, the WBA wrote Attorney General Ashcroft on October 25, 2002, also explaining the situation, and enclosing a copy of the October 22, 2002 letter to the State of California. A copy of the letter to the Attorney General is attached.

Five months later, the Department of Justice contacted the WBA to discuss the matter. The WBA responded orally and, in a letter dated April 1, 2003 (a copy of which is attached), the WBA responded to the Department of Justice in writing, and provided the Assistant Attorney General assigned to the matter some of the correspondence related to the issue.

Finally, on June 5, 2003, the Department of Justice wrote the WBA (a copy of which is attached), informing it as follows:

Because the WBA has provided an explanation of its rankings determinations and has vacated the disputed August 2002 ratings, the Department of Justice has determined to take no action with regard to the alleged violation.

Despite these clear facts, one writer has characterized the WBA’s actions unfairly and unfactually as follows:

The WBA’s failure to provide an explanation for the ratings change violated the Ali Act, which, as previously mentioned, requires sanctioning organizations such as the WBA to provide public explanations for rating changes.

McCain, *supra*, 26.

Contrary to such allegations, the Kirk Johnson ratings matter was handled by the WBA consistent with both federal law and the WBA’s own required procedures.

Mr. STEARNS. Thank you.

Mr. Spizler.

#### **STATEMENT OF BRUCE C. SPIZLER**

Mr. SPIZLER. Mr. Chairman and members of the subcommittee, on behalf of the Association of Boxing Commissions and myself as chairman of its Legal Committee, it is indeed a cherished honor and a privilege to appear before you at this oversight hearing, hopefully not only to provide you with oversight but also insight into the regulation of professional boxing in the United States, and the dire need for additional legislative measures.

From the first attempts to regulate the sport of professional boxing in the United States more than 100 years ago through to the present, professional boxing has been affected and infected by an environment replete with connivance, coercion and, all too often, corruption.

A major factor contributing to such a sordid history is the surprising reality that the sport of professional boxing, unlike any other professional sport in the United States, has always been without a centralized league or other form of national oversight.

This is of particular significance, considering that by its very nature the sport of professional boxing and its multiple components patently involve interstate, indeed global, commerce. Nonetheless, the regulation of the sport of professional boxing has been left to those individuals States and, more recently, also tribal organiza-

tions which legislatively have provided for its own boxing commission to regulate the sport in its own particular jurisdiction.

Thus, considering that the authority of each regulatory component is restricted to its territorial borders, the effective regulation of the sport of professional boxing in the United States is only as strong as its weakest link.

Two of the significant consequences of the absence of a national governing body are, No. 1, the opportunity for those seeking a lesser regulatory punch to pick and choose which regulatory body they wish to subject themselves to; and, two, private entities which independently control the rankings of boxers—that is, the standings, if you will—are not regulated by any State or tribal boxing commission.

A primary example of venue shopping occurred just recently. Riddick Bowe, a former heavyweight champion of the world, retired from boxing in 1996 with perceived neurological problems. In the absence of uniform medical standards or a centralized medical registry, several months ago Mr. Bowe decided to make a comeback.

He didn't seek a boxer's license in the State of his residence, Maryland, nor did he seek a boxer's license in the State of Nevada where 2 years earlier the Executive Director of the Nevada State Athletic Commission was quoted in a magazine publication that he did not, "foresee Mr. Bowe receiving a boxer's license in Nevada," citing perceived neurological problems.

Instead, Mr. Bowe applied for a boxer's license in the newly formed Potawatomi Tribal Boxing Commission located in the State of Oklahoma. Mr. Bowe was granted a boxer's license, and on September 25, he will be participating in a fight at an outdoor arena located on the parking lot adjacent to the Potawatomi's casino.

A few notable examples of rankings by the unregulated sanctioning organizations: In 1999, during the course of a rare Federal criminal investigation and prosecution, FBI surveillance cameras captured a meeting in a motel room between Bob Lee, Sr., then the President of the IBF, Mr. Mack's client, and Doug Beavers, the Chairman of the IBF's Ratings Committee.

During the course of this meeting, Mr. Lee and Mr. Beavers discussed the rating of a particular boxer. The discussion was brief. Making no inquiry as to the win-loss record of the boxer, the opponents he had faced, or the records of those opponents, the only inquiry Mr. Lee made was "who is the promoter" and "how much." Upon revelation of this information by Mr. Beavers to Mr. Lee and the passage of a thick envelope, the named boxer was ranked by the IFB as No. 5 in his weight division.

During the course of this investigation, several notable boxing promoters acknowledged under oath that they, too, had paid monies to sanctioning organizations in exchange for the ranking of a boxer that they promoted, brazenly explaining, in effect, that such was the cost of doing business.

Another example, this one involving the WBA, another one of Mr. Mack's clients. Kirk Johnson: Following his loss by disqualification to the then WBA heavyweight champion, John Ruiz, on July 27, 2002, well after the passage of the Muhammad Ali Boxing Reform Act—Kirk Johnson's WBA ranking was lowered from No.

5—lowered to No. 5, rather, and the same was reflected in the WBA's published rankings dated August 5, 2002.

In the WBA's rankings the very next month, September 5, 2002, Kirk Johnson was dropped in the WBA ratings, this time to tenth, although Mr. Johnson had not participated in a fight during that interim.

In the same rankings, September 5, 2002, of the WBA, three other heavyweight boxers who were also inactive during that same period were advanced over Mr. Johnson, as well as being advanced over David Tua, with Mr. Johnson and David Tua both having defeated all three of the same boxers. All three of the boxers that were advanced over Johnson and Tua were promoted by Don King.

Just recently, I received a copy of a letter from a member of a sanctioning organization's rating committee. It is his letter of resignation to the President of the sanctioning organization, a major sanctioning organization, I might add. In his letter of resignation he cites the rating improprieties of that sanctioning organization, citing that there were boxers rated who had lost 10 of their last fights. There were boxers who were ranked who had not had a contest in over a year. There were boxers who did not meet the criteria of having 15 matches and two wins over a rated fighter.

One might ask—I see my time is up. So I will have to pass.

[The prepared statement of Bruce C. Spizler follows:]

PREPARED STATEMENT OF BRUCE C. SPIZLER, CHAIRMAN, LEGAL COMMITTEE,  
ASSOCIATION OF BOXING COMMISSIONS

Mr. Chairman and Members of the Subcommittee, it is, indeed, a cherished honor and privilege for me to appear before you, as a representative of the Association of Boxing Commissions, at this oversight hearing to, hopefully, provide you, not only with "oversight," but also "insight" into the regulation of professional boxing in the United States and the dire need for additional legislative measures. By way of background (as set forth in the attached *curriculum vitae*), I was a member of the National Association of Attorneys General Task Force on Boxing from 1998 through 2000; serving as the Chairman of the Task Forces' Subcommittee on Promoter/Manager Application and Licensing Procedures and, in addition, as a member of the Task Forces' Subcommittee on Model Rules and Regulations Governing Boxing Bouts, Subcommittee on Model Boxer/Manager Contracts and Bout Contracts, and Subcommittee on Boxers' Bill of Rights.<sup>1</sup> In addition, I have served on the Legal Committee of the Association of Boxing Commissions since its creation in 2001 and, recently, have been named as the Chairman of that Committee. Further, I have made presentations to the Association of Boxing Commissions at each of its annual conferences from 2000 to the present; and also have made similar presentations at each of the annual conferences of the American Association of Professional Ringside Physicians (an organization of 350 ringside physicians located throughout the United States) from 2002 to the present.

BACKGROUND

From the first attempts to regulate the sport of professional boxing in the United States more than 100 years ago through to the present, the "sweet science" has been affected, and *infected*, by an environment replete with connivance, coercion and, all-too-often, corruption. A major factor contributing to such a sordid history is the surprising reality that the sport of professional boxing, unlike any other professional sport in the United States, has always been without a centralized league or other form of national oversight. This is of particular significance considering that, by its very nature, the sport of professional boxing, and its multiple components, patently,

<sup>1</sup> Following hearings held at the Downtown Athletic Club in New York City, in May, 2000, The National Association of Attorneys General Task Force on Boxing issued a "Report on Findings and Recommendations." Some of these "findings and recommendations" subsequently were addressed via the enactment of "The Muhammad Ali Boxing Reform Act" (codified as amendments to 15 USC § 6301, *et seq.*), discussed *infra*.

involve interstate—indeed, *global*—commerce. The boxers themselves, throughout their careers, oft-times travel from state-to-state (and, periodically, to other countries) to compete in boxing contests against a multitude of opponents in a multitude of differing jurisdictions. Accordingly, other persons who participate in the sport of professional boxing—including promoters, matchmakers, managers, trainers, and sanctioning organizations—all function via interstate commerce.

Nevertheless, the regulation of the sport of professional boxing has been left to those individual states (and, more recently, tribal organizations) which, legislatively, have provided for its own boxing commission to regulate the sport in its own particular jurisdiction. Thus, considering that the authority of each regulatory competent is restricted by its territorial borders, the effective regulation of the sport of professional boxing in the United States is only as strong as its weakest link; leaving “venue shopping” as an effective tool for those seeking a lighter regulatory “punch.” The glaring absence of regulatory *uniformity*, together with the difficulty, and varying degrees, of effective *enforcement*, has lent itself to a perpetuation of the inequities, lack of integrity and, in some instances, non-adherence to health and safety measures for which the inherently dangerous sport of professional boxing, unfortunately, has become known.

And through it all, with rare exception, the skilled athlete—the person literally risking “life and limb” and neurological and ophthalmological damage—tragically remains at the bottom of the proverbial “food chain.”

#### FEDERAL LEGISLATIVE EFFORTS FOR REFORM

In the aftermath of the criminal prosecution of the International Boxing Club (“IBC”), reputed to be a thinly veiled shell corporation of organized crime, several other boxing-related extortion and conspiracy prosecutions, and two high-profile boxer deaths, in 1960, the Senate Subcommittee on Antitrust and Monopoly conducted a four year investigation of the involvement of organized crime in boxing.<sup>2</sup> Three years later, Senator Kefauver of Tennessee, pressed for the passage of two boxing-related bills in Congress; however, other than legislation criminalizing fight-fixing, these legislative efforts were unsuccessful.<sup>3</sup>

Numerous boxing-related bills were introduced in Congress between 1983 and 1992; however, none of these measures garnered enough support to be enacted into law.<sup>4</sup>

<sup>2</sup> It is believed that organized crime “controlled” the sport of professional boxing at that time; engaging in fight-fixing, the bribing of boxing judges, the “ownership” of world champion boxers (forcing the boxers to surrender significant financial rights to their bouts), and the use of boxing as a front for gambling and money-laundering schemes.

<sup>3</sup> One bill would have established a “National Boxing Commission,” housed within the Department of Justice, to “aid the States in their efforts to drive the racketeers out of boxing and, thus, end their monopolistic control.” The other bill was designed to establish *uniform* federal health and safety standards to “insure that only those men who are in proper physical condition (would) be allowed in the ring.”

<sup>4</sup> 1983—(a) two bills, each providing for the creation of an “advisory commission” to establish ranking guidelines and safety standards;

(b) a bill providing for the creation of a commission, within the Department of Labor, to regulate safety standards and compensation for boxers;

1985—a bill providing for the regulation of professional boxing through a nonprofit entity which would oversee state boxing commissions to ensure that these commissions set, and implemented, minimum health and safety standards;

1987—a bill similar to the those introduced in 1983 and 1985;

1992—two bills, one providing for the creation of a “Professional Boxing Corporation” and the other a “United States Boxing Commission,” to create a national data base for boxer and promoter information, as well as guidelines to protect the health and safety of boxers and “to guard against corruption and unfairness”; and to have the power “to prohibit matches if there (were) evidence of bribery, collusion, racketeering or extortion;

1993—an “amalgamation” of the two bills introduced in 1992 providing for the creation of a federal corporation to “work with State boxing authorities to establish and enforce uniform rules and regulations for professional boxing in order to protect the health and safety of boxers and to ensure fairness in the sport”; to establish a national computer registry of boxing-related data; and to “certify” promoters, managers, trainers and others. In 1992, the Senates’ Permanent Subcommittee on Investigations, at the behest of Senator William Roth (DE), conducted an investigation following a fight in Atlantic City, New Jersey, where International Boxing Federation (IBF) middleweight champion James Toney was awarded a split decision over challenger Dave Tiberi—a fight many believed had been won easily by Tiberi and described by one television broadcaster as “the most disgusting decision” he had ever seen. Following its hearing, encompassing the testimony of 130 witnesses, the Subcommittee concluded, *inter alia*, that a conflict of interest existed between state boxing regulators who, on the one hand, were interested in luring major boxing events to their bailiwick, considering the attendant economic impact, while, on the other hand, being charged with the responsibility of strictly regulating such bouts. In

Finally, in October, 1996, Congress enacted legislation, entitled “The Professional Boxing Safety Act of 1996” and codified as 15 USC § 6301, *et seq.*, which, *for the first time*, provided for (1) *minimal* uniform health and safety standards to safeguard the well-being of boxers,<sup>5</sup> (2) conflict of interest prohibitions,<sup>6</sup> and (3) some enforcement authority regarding non-adherence to these measures.<sup>7</sup>

In 2000, Congress enacted the aforementioned “Muhammad Ali Boxing Reform Act” (as amendments to 15 USC § 6301, *et seq.*) which addressed some of the exploitative economic practices attendant to professional boxing. These measures, for example: (1) prohibit “coercive contracts”<sup>8</sup> (2) mandate certain financial disclosures to a boxing commission by a sanctioning organization and a promoter;<sup>9</sup> (3) provide for a boxing commission to withhold any compensation due to a sanctioning organization if the sanctioning organization fails to publish its ranking criteria with the Federal Trade Commission (or, in the alternative, publish the ranking criteria on its Internet website), or fails to provide to a boxer, and publish on its website, an explanation for a change in the sanctioning organizations’ ranking of the boxer; and (4) authorize the “chief law enforcement officer of any State” (*i.e.*, the state Attorney General) to seek injunctive relief or obtain the payment of fines as otherwise provided in the Act.<sup>10</sup>

#### *Current Problems—Examples*

Although significant strides were made upon the enactment of the 1996 and 2000 federal legislation, the continued absence of a national oversight of the sport of professional boxing—providing for uniformity and effective enforcement of these, and other, provisions throughout the country—has resulted in a myriad of scenarios in which regulatory measures may be effectively circumvented. The following represent a few “high profile” examples (with a supposition that there are numerous other instances which have not been ferreted out).

effect, the Subcommittee noted that, because strict enforcement tends to drive away valuable fights, boxing commissions had an incentive to “relax” their regulations.

<sup>5</sup>For example: (1) a requirement that each professional boxer register with a boxing commission and procure a federal identification card containing the boxers’ photograph and a personal identification number which must be presented to a boxing commission no later than the time of the weigh-in for a professional boxing match (to eliminate the use of “ringers” and the opportunity for a boxer to participate in different boxing matches under different names); (2) a physical examination of each boxer to determine if the boxer is “physically fit to safely compete”; (3) reciprocal enforcement of medical suspensions; (4) the continuous presence of a physician at ringside; and (5) an ambulance, or medical personnel with appropriate resuscitation equipment, continuously on site.

<sup>6</sup>For example, prohibiting a member of a boxing commission from belonging to a sanctioning organization.

<sup>7</sup>Providing for the United States Attorney, upon referral, to seek injunctive relief or to bring a criminal prosecution.

<sup>8</sup>A “coercive contract,” simply stated, is a “promotional agreement,” for a period of more than one year, which a boxer is required to enter into with a boxing promoter as a condition precedent to the boxers’ participation in a boxing contest against another boxer who is under contract to the same boxing promoter. Such contracts often contain unconscionable terms detrimental to the boxer; nevertheless, a boxer may agree to sign such a contract, not only to secure the ability to participate in the particular fight, but also for fear of being “blackballed” and, as a result, having his or her boxing career either thwarted or destroyed if he or she should decline to sign such a contract.

<sup>9</sup>For example, a sanctioning organization is prohibited from receiving any compensation for its sanctioning of a fight until it discloses to the relevant boxing commission a statement of: (a) all charges, fees and costs the sanctioning organization will access any boxer, and (b) all payments benefits and fees the sanctioning organization will receive from the promoter, the host of the event and any others. Similarly, a boxing promoter is prohibited from receiving any compensation in connection with a boxing event until the promoter discloses to the relevant boxing commission a statement of: (a) all fees, charges and expenses that the promoter will assess against the boxer (including a percentage of the boxers’ purse and training expenses), and (b) all payments, gifts or benefits the promoter is *providing* to any sanctioning organization.

<sup>10</sup>A “sanctioning organization” is a private entity which “sanctions” certain boxing contests as being a competition to win the sanctioning organizations’ title, with a championship belt being awarded to the victor. Also, a sanctioning organization independently “ranks,” or “rates,” boxers (typically, one through fifteen), providing a “pecking order” in which each such ranked boxer may move “up the ladder” toward the ultimate goal of competing for the championship. Typically, a sanctioning organization is paid a “sanctioning fee” by the promoter of the fight which is being “sanctioned,” as well as a fee from the boxers who participate in the fight (usually 3%-5% of the each boxers’ purse).

The most prominent *world* sanctioning organizations are the World Boxing Council (“WBC”), based in Mexico; the World Boxing Association (“WBA”), based in Venezuela; the International Boxing Federation (“IBF”), based in New Jersey; and the World Boxing Union (“WBU”), based in England.

### A. “Venue Shopping”

#### 1. *Mike Tyson v. Lennox Lewis* [for the “undisputed” (i.e., WBC, WBA and IBF) heavy-weight championship of the world]

In 2002, in the aftermath of Mike Tyson’s infamous maiming of Evander Holyfield via the biting off of a piece of Mr. Holyfield’s ear during a world heavy-weight championship fight,<sup>11</sup> as well as other egregious behavior both in and out of the ring, Mr. Tyson submitted an application to the Nevada Athletic Commission for licensure as a boxer.<sup>12</sup> After the Nevada Athletic Commission conducted a hearing, but prior to the application being formally denied, Mr. Tyson withdrew his application to the Nevada Athletic Commission, and, as a result, the matter in Nevada became moot. Soon thereafter, however, Mr. Tyson applied for a boxers’ license in a number of other jurisdictions. Subsequently, several state boxing commissions elected to grant Mr. Tyson a boxers’ license including Georgia, Washington, D.C. and \_\_\_\_\_.<sup>13</sup> From among the array of jurisdictions which elected to grant Mr. Tyson a boxers’ license, the promoters of the Tyson-Lewis fight selected Tennessee as the state in which the fight would be held; and, as a result, the Executive Director of the Tennessee Boxing and Racing Board (which functions strictly in an “advisory capacity”) had thrust upon him the daunting task of regulating what, at that time, was deemed to be “the richest heavy-weight championship fight in history.”<sup>14</sup>

#### 2. *Hasim Rahman v. Mario Cawley*

As the second fight of his “comeback,” Hasim Rahman (the former “undisputed” heavy-weight champion of the world with a record of 36 wins and 5 losses) was scheduled to fight on April 16, 2004 at a venue in Dover, Delaware—Delaware being a state which does not have a boxing commission. As is authorized under the current federal law (15 USC §6303), the boxing promoter requested the Pennsylvania Athletic Commission (“PAC”) to regulate the fight (the PAC having performed such a function at the same venue in Delaware on several previous occasions); and the PAC agreed. When the Executive Director of the PAC learned that Mr. Rahman’s opponent for this fight was Mario Cawley, who had lost eleven of his last twelve fights (the one win coming by way of disqualification), and with the promoter declining to provide a different opponent, the PAC withdrew and declined to regulate the event. In response, the promoter contacted the “Administrator” of the Virginia Boxing and Wrestling Commission who approved the Rahman-Cawley match-up and regulated the Rahman-Cawley fight in Delaware. Of little surprise, Rahman knocked out Cawley in the second round.<sup>15</sup>

#### 3. *Riddick Bowe*

Following the second of two boxing contests in 1996 between Riddick Bowe and Andrew Golota, both contests being described as “brutally draining” and “foulfeists,” Mr. Bowe, in a post-bout interview, “turned molasses-tongued before the worlds’ eyes”<sup>16</sup>—indicating possible neurological damage—and Bowe “retired” from boxing. In 1998, Mr. Bowe was charged with federal kidnapping after he abducted his estranged wife and their five children from Charlotte, North Carolina with the intention of transporting them to his home in Maryland. Although facing up to 10 years of imprisonment, pursuant to a plea bargain, the judge sentenced Mr. Bowe to 30 days, citing Mr. Bowe’s debilitation from head injuries as the basis for his lenient sentence.

<sup>11</sup> Following this incident, and after conducting a hearing, on July 9, 1997, the Nevada Athletic Commission revoked Mr. Tyson’s boxers’ license and imposed a \$3 Million fine for “fouling, unsportsmanlike conduct and conduct that reflects discredit to boxing.”

<sup>12</sup> A championship bout between Mr. Tyson and Lennox Lewis, to be held in Las Vegas, already had been announced by boxing promoters.

<sup>13</sup> After Mr. Tyson withdrew his license application in Nevada, the Association of Boxing Commissions, suspecting that Mr. Tyson may seek licensure elsewhere, sent a “press release” to each of its member boxing commissions suggesting that, if Mr. Tyson applied for a boxers’ license in their jurisdiction, the boxing commission should examine the attendant “facts and circumstances” regarding the propriety of such licensure and should not be swayed by the economic impact such a fight may bring to their state. [Projections, at that time, regarding the generation of revenues from a Tyson-Lewis fight approximated \$100 Million.]

<sup>14</sup> In January, 2002, at a press conference to announce the fight between Tyson and Lewis in Tennessee, Mr. Tyson, during a scuffle, bit the leg of Mr. Lewis.

<sup>15</sup> In addition to the problem of “venue shopping,” the regulation of professional boxing in a state without a boxing commission raises other major concerns; e.g., (1) the liability of the regulators who are functioning outside the protections of their, erstwhile, sovereign immunity; and (2) the contravention of a states’ desire not to authorize boxing in its jurisdiction.

<sup>16</sup> Mayo, *The Ring Magazine*, “Whos’ Fit To Fight?”, March, 2002 at p. 76.

When it was rumored that Mr. Bowe was contemplating a “come-back,” the Executive Director of the Nevada Athletic Commission stated to a reporter that he did not “foresee [Bowe] receiving a license in Nevada,” citing perceived neurological problems. Accordingly, Mr. Bowe did not apply for a boxers’ license in Nevada, nor did he apply for a boxers’ license in Maryland (the state in which he resides). Instead, several weeks ago, Mr. Bowe applied for, and was granted, a boxers’ license by the Potawatomi Tribal Boxing Commission, located in the state of Oklahoma.<sup>17</sup> Mr. Bowe is scheduled to participate in a boxing contest on the parking lot of the Potawatomi casino on September 25, 2004.

## B. Sanctioning Organizations

### 1. Rankings

As noted above (n.10), each sanctioning organization independently “ranks,” or “rates,” boxers (typically, one through fifteen), providing a “pecking order” in which each such ranked boxer may move “up the ladder” toward the opportunity to compete for the championship. Considering that a “championship belt” is the end to which every boxer aspires, and that a ranking assigned to a boxer constitutes the road to such glory, a sanctioning organization is all powerful (considered by some as the “engine” which generates power and money in the sport of professional boxing). Yet, *sanctioning organizations are not licensed by any boxing commission and, as a result, are not subject to the jurisdiction of any boxing commission.*

a. *Bob Lee, Sr. (former President of the International Boxing Federation)*—In 1999, during the course of a rare federal criminal investigation and prosecution, FBI surveillance cameras captured a meeting in a motel room between Bob Lee, Sr., then the President of the International Boxing Federation, and Doug Beavers, the Chairman of the IBF’s Ratings Committee (who was also, at that time, the Executive Director of the Virginia Boxing and Wrestling Commission).<sup>18</sup> During the course of this meeting, Mr. Lee and Mr. Beavers discussed the rating of a particular boxer. The discussion was brief. Making no inquiry as to the win-loss record of the boxer, the opponents he had faced, the records of such opponents or any other criteria relevant to the propriety of an appropriate rating, Mr. Lee simply asked, “who is the promoter” and “how much.” Upon the revelation of this information by Mr. Beavers to Mr. Lee and the passage of a think envelope from Mr. Beavers to Mr. Lee, the named boxer, not previously ranked by the IBF, was ranked as “No. 5” in the relevant weight division.<sup>19</sup>

During the course of the investigation, several notable boxing promoters acknowledged, under oath, that they, too, had paid monies to a sanctioning organization in exchange for the ranking of a boxer they promoted; brazenly explaining, in effect, that such was the cost of doing business.

b. *Kirk Johnson (Boxer)*—Following Kirk Johnsons’ loss (by disqualification) to, then, World Boxing Association (“WBA”) heavy-weight champion John Ruiz on July 27, 2002, Kirk Johnsons’ WBA ranking was lowered to No. 5, and the same was reflected in the WBAs’ published rankings dated August 5, 2002. In the WBAs’ rankings dated September 5, 2002, however, Kirk Johnson was dropped again in the WBA rankings, this time to tenth; although Mr. Johnson had not participated in a fight during the interim. In the same WBA rankings of September 5, 2002, three other heavy-weight boxers, whom also were inactive during this period, were advanced over Mr. Johnson, as well as being advanced over David Tua, each of whom previously had defeated the three advanced boxers. All three of the boxers advanced in these rankings were promoted by Don King.<sup>20</sup>

c. *Graciano Rocchigiani*—In 1998, the WBC declared its light-heavyweight title vacant after Roy Jones, Jr., the WBC light-heavyweight champion at the time, considered abandoning the crown to become a heavyweight. Graciano Rocchigiani, a

<sup>17</sup> The newly formed Potawatomi Tribal Boxing Commission is not a member of the ABC.

<sup>18</sup> Facing criminal charges, Mr. Beavers had agreed to cooperate with the FBI.

<sup>19</sup> Although found not guilty of bribery and racketeering charges, Mr. Lee was convicted of lesser included offenses (*i.e.*, money laundering, tax evasion and interstate travel to aid in racketeering) and was sentenced to a substantial term of imprisonment. In light of this investigation and prosecution, the IBF was placed under the auspices of a federal monitor who continues to be in place.

<sup>20</sup> This matter was brought to the attention of the United States Attorney General by the President of the ABC, and, by separate letter, Senator John McCain. Pursuant to 15 USC 6307c., the California State Athletic Commission (the jurisdiction in which the next WBA sanctioned fight was to occur) ordered that all sanctioning fees that were to be paid to the WBA in regard to the October 12, 2002 WBA-sanctioned fight were to be withheld in light of the WBA failing to respond to Kirk Johnsons’ request for information as to the basis for the change in his ranking. Soon thereafter, the WBA revised its September 5, 2002 rankings, restoring Kirk Johnson to his No. 5 ranking. No further action was taken.

boxer from Germany, signed to fight American Michael Nunn for the vacant belt. On March 21, 1998, Mr. Rocchigiani won the fight (by a split decision) to become the WBC light-heavyweight champion. However, approximately three months later, Roy Jones, Jr. decided to return to the light-heavyweight ranks, and the WBC restored Mr. Jones (far more renowned than Mr. Rocchigiani) to his position as the WBC light-heavyweight champion. Unlike most boxers, Mr. Rocchigiani elected to challenge the actions of the sanctioning organization and, upon securing the services of legal counsel, filed a multi-million dollar law suit against the WBC in September, 1998 claiming that he had been cheated out of his light-heavyweight championship and all of the financial rewards attendant to such a title. Four years later, on September 20, 2002, a Manhattan jury returned a verdict in favor of Mr. Rocchigiani in the amount of \$7.8 Million in compensatory damages and another \$20 Million in punitive damages.

More recently, the WBC filed for Chapter 7 bankruptcy, claiming the Rocchigiani judgment exceeded the WBCs' total assets.

## 2. *Selection of Officials*

On May 13, 2000, boxers Roy Jones, Jr. and Richard Hall participated in a fight in Indiana, competing for the WBC/IBF/IBO light heavy-weight world championships with the fight being televised world-wide. Prior to the fight, the Indiana Boxing Commission received input from all three of the sanctioning organizations regarding the selection of officials (i.e., a referee and three judges). The Indiana Boxing Commission, diligently ensuring that all of the officials who would either judge or referee the fight were experienced and competent, then announced the identity of the selected officials to the public. Two days before the fight, the Commission received a fax from the WBC stating that they would be assigning a judge (David Harris), other than the ones already selected, to officiate at the fight. The Commission did not have adequate time to properly determine the credentials of David Harris and did not agree to substitute him for one of the judges already selected. Nevertheless, on the night of fight, Mr. Harris (from the state of Texas) came to the arena in Indiana where the fight was being held. When the Commission members present at the arena balked at the notion of changing judges at this "eleventh hour," a WBC supervisor at the fight threatened to "pull" the sanction of the WBC and "strip" Roy Jones, Jr. of his WBC title unless the substitution of Mr. Harris for one of the previously assigned judges was made. Facing this undue pressure, the Commission members succumbed and, 30 minutes prior to the live broadcast of the fight, the substitution was made.

These actions by the WBC prompted a letter, dated May 18, 2000, from Senator John McCain, Senator Richard H. Bryan and Representative Michael G. Oxley to Jose Sulaiman, President of the WBC, condemning such actions as "...yet another example that the organizations which rank boxers for a fee often undermine the sport."

The above notwithstanding, two years later, the WBC again engaged in similar activity. The WBC had agreed to sanction a fight between its welterweight champion, Vernon Forrest, and former welterweight champion Shane Mosley to be held, ironically, in the same state of Indiana on July 20, 2002. Wary of the events which had taken place two years earlier, the Indiana Boxing Commission, through a litany of correspondence, came to an agreement with the WBC in early June, 2002 as to the individuals who would serve as the officials (one referee and three judges) for the fight. The Indiana Boxing Commission selected the referee and one judge from a list of officials "appointed" by the WBC and two judges from Indiana with considerable world title fight experience. Mr. Forrest and Mr. Mosley reviewed the selected officials and both agreed to their participation. Nevertheless, several weeks later, the WBC threatened to withdraw its sanction of the fight unless the Indiana Boxing Commission selected *all* of the officials from the WBCs' "appointed" lists—either the one originally submitted, or a newly submitted revised "appointed" list (which contained the name of one of the Indiana-based judges who had already been selected). In response, the Indiana Boxing Commission agreed to substitute one of the judges it had selected from the original WBC "appointed" list with a judge from the WBCs' revised "appointed" list, but left in place the two Indiana-based judges (one of whom, as noted, was on the WBC revised "appointed" list). Jose Sulaiman, the President of the WBC, and a representative of the Indiana Boxing Commission verbally agreed as to the new team of officials selected to participate in the fight; and, upon being notified of the changes, neither boxer objected. Nevertheless, five days before the event, a representative of Vernon Forrest (the WBC champion) voiced strong opposition to the retention of the Indiana-based judge who was not on the revised WBC "appointed" list. Finally, again succumbing to pressure, two of the three Indiana Boxing Commission members agreed to substitute the Indiana-



based judge who was not on the WBC revised “appointed” list with a judge designated by the WBC (Tony Castellano, who had judged a number of bouts for the WBC, but had not judged a fight in the United States since 1997).

The actions of the WBC in 2002 prompted another letter from Senator McCain to the President of the WBC, stating, among other things, that “...the WBC overstepped its role as a sanctioning organization and attempted to supersede the powers of a state regulatory agency.”

#### THE ASSOCIATION OF BOXING COMMISSIONS

The Association of Boxing Commissions (“ABC”) was incorporated in 1993 as a non-profit organization.<sup>21</sup> It is comprised of 58 state and tribal boxing commissions located throughout the United States, the U.S. Territories and Canada. The ABC is funded, and derives its operating revenues, solely from the minimal membership dues of its member commissions, the sale of ABC apparel to its members, and a silent auction held at its annual conference.<sup>22</sup> Its functions are performed primarily by its officers, regional directors and committee members. Each of these individuals are employed, directly or indirectly, by their respective state or tribal boxing commission and each serves strictly on a voluntary basis, receiving no compensation for the time and effort extended on behalf of the ABC.

Unfortunately, however, notwithstanding the ABCs’ noble goals and intentions, and notwithstanding its working members’ efforts and stalwart dedication, the absence of funding, together with the absence of adequate authority, hinders and thwarts the ABCs’ ability to effectuate uniformity or effectively enforce the law. The following scenario is demonstrative.

Recently, it has come to the attention of the ABC that referees and judges, licensed by the various state and tribal boxing commissions who officiate at boxing contests in those various states and on tribal lands, concomitantly, are holding office in the various sanctioning organizations. In one glaring example, one of the judges participating in Oscar De La Hoya-Shane Mosley fight held in Las Vegas on September 13, 2003, sanctioned by the WBA, was, at that time, the Chairman of the WBAs’ Ratings Committee. In effect, the individual was judging and (absent a knock-out or disqualification) determining the winner of a fight involving the very boxers he may potentially rank. In another example, a judge licensed in Florida, was the Chairman of the WBAs’ Officials’ Committee. The ABC sent a letter to each of these individuals, as well as others similarly situated, in which it was noted that holding office in a sanctioning organization and, at the same time functioning as a judge or referee “appeared” to be in violation of the “Conflict of Interest” provision of the federal law, and “may” result in appropriate action being taken.<sup>23</sup> Thereafter, both of the aforesaid individuals resigned from the respective offices they had held with the WBA.

The WBA has threatened to bring a law suit against the ABC, challenging the ABCs’ interpretation of the federal law, unless the ABC expressly retracts its position and withdraws the letters it had sent. The ABC has declined and continues to adhere to its position.

#### THE PROFESSIONAL BOXING AMENDMENTS ACT OF 2004 (S. 275 / H.R. 1281)

This legislation, having passed the Senate with unanimous consent, provides for the much needed, and long-overdue, uniformity and enforcement mandatory to the effective regulation of the sport of professional boxing in the United States. It not only strengthens existing federal boxing laws, but, for the first time in the history of regulating the sport of professional boxing in this country, provides for a national oversight via the creation of a “United States Boxing Commission” (“USBC”) within the Department of Commerce.<sup>24</sup> In short, through uniformity, “venue shopping” is

<sup>21</sup> The ABC was first created informally, ten years earlier, in 1983.

<sup>22</sup> The total, current assets of the ABC is approximately \$50,000.00.

<sup>23</sup> The “Conflict of Interest” provision of the current federal law states, in pertinent part:

“No member or employee of a boxing commission, *no person who administers or enforces State boxing laws*, and no member of the Association of Boxing Commissions may *belong to, contract with, or receive compensation from* any person who *sanctions, arranges or promotes* professional boxing matches or who otherwise has a financial interest in an active boxer...” 15 USC § 6308(a) (*emphasis added*).

A person engaging in such conduct may be enjoined from doing so via an action brought by the Attorney General of the United States or the chief law enforcement officer of state; or, if a person “knowingly” engages in such conduct, upon conviction, the person may be imprisoned for not more than one year or fined not more than \$20,000.00, or both. 15 USC § 6309(a), (b)(3), and (c).

<sup>24</sup> A synopsis of the Bill, prepared by this writer, is attached hereto.

eliminated; and through enforcement, the existing laws are given “teeth.” It is important to note that the autonomy of the state and tribal boxing commissions remains in tact. Indeed, one of the specific functions of the USBC enumerated in the Act is to work *with* state and tribal boxing commissions; and, as expressly mandated, the USBC is to consult with the boxing commissions, through the ABC, regarding any minimal standards (medical or contractual) proposed by the USBC.<sup>25</sup> Moreover, the Act also expressly provides that nothing prohibits a boxing commission from exercising any of its powers, duties or functions to the extent they are not inconsistent with the Act.<sup>26</sup>

Among other things, the PBAA of 2004 provides for:

- the licensing and regulation of sanctioning organizations
- the USBC to develop guidelines for objective and consistent written rating criteria which each sanctioning organization must adopt and follow; as well as a requirement that a sanctioning organization provide the USBC with a copy of a ratings change, and an explanation for the change, under the penalty of perjury
- the licensing of all judges and referees by the USBC who participate in championship fights or those of 10 rounds or more
- the selection of all referees and judges by the boxing commission supervising the fight
- a repeal of the current provision allowing for boxing in states without a boxing commission
- the development of minimal health and safety standards (including a requirement that health insurance be provided to each boxer covering injuries sustained in the ring)
- the development of minimal contractual provisions for: (1) bout agreements; (2) boxer-manager agreements; and (3) promotional agreements
- the establishment and maintenance of a centralized medical registry by the USBC (or a party certified by the USBC to do so); the medical registry to contain comprehensive medical records, including suspensions and denials, for every licensed boxer
- the posting of a bond or other form of security (to ensure, among other things, the payment of purse monies due and owing to a boxer)
- the USBC to conduct investigations of alleged violations, including the issuance of subpoenas and the granting of limited immunity (in order to compel testimony that may be self-incriminating)

#### CONCLUSION

The history of the sport of professional boxing in the United States is, indeed, a sordid one, fraught with abuses at almost every turn. A major contributing factor in perpetuating professional boxing as the “red light district of sport” is the absence of uniformity and effective enforcement resulting, in part, from the continual absence of any form of centralized league or national oversight—present in every other major sport in the country. For more than 40 years, members of Congress have proposed various forms of a national oversight of the sport without success; leaving unanswered the rhetorical questions: “If not us, then who; if not now, then when.”

Mr. STEARNS. By unanimous consent, we will put all of your opening statement in the record.

Mr. SPIZLER. Thank you very much, Mr. Chairman.

Mr. STEARNS. Thank you.

Mr. Thomas. Welcome.

<sup>25</sup> It should also be noted that, while the terms of the PBAA of 2004 provide for the approval of the USBC for every professional boxing match in the United States, the PBAA of 2004 also provides that such approval is *presumed* unless:

(a) the match is a championship match, or one of 10 rounds or more;  
 (b) the match is one in which one of the boxers has suffered 10 consecutive defeats or has been knocked out (or “technically knocked out”) five consecutive times; or  
 (c) the USBC is informed of alleged violations of the federal law, and the USBC advises the supervising boxing commission that it does not approve.

Even in the above instances where the USBC approval is not presumed, the USBC may delegate its approval authority to the supervising boxing commission.

<sup>26</sup> It is important to understand that the “premier” side of boxing, comprised of famous boxers and promoters sharing in purses reaching into the millions of dollars, is far different than the *vast majority* of professional boxing events featuring unknown journeymen (oft-times referred to as “club boxers”) who participate for small purses before small crowds.

### STATEMENT OF JAMES J. THOMAS II

Mr. THOMAS. Thank you. I am a bit of an unusual member of the—

Mr. STEARNS. I am going to have you pull the mike over.

Mr. THOMAS. I am a bit of an unusual member of the boxing business community in that I am a senior partner in a major national law firm and came to boxing as an outsider 14 years ago through happenstance. I was engaged Evander Holyfield to represent him in what we call boxing litigation, which is all too prevalent, against Don King and Mike Tyson and the World Boxing Council.

That led to a relationship where I got deeply involved into the sport. I have represented Evander for almost 14 years as attorney and the last 9 years as de facto manager and attorney, and over the last 6 years I have represented numerous other top fighters as attorney and manager.

I represent fighters. That is all I do in the sport of boxing. I believe that the men, and now women, who get in the ring deserve to be the primary beneficiaries of this sport, and that is unfortunately not the case.

I have four points I would like to make. As my written materials indicate, I believe there is a big difference between promoters and managers and their duties to fighters. Promoters have no fiduciary duty to fighters. They are allowed to pay the fighters as little as they want. The managers have a very strict, very firm, strong fiduciary duty to fighters.

The Ali Act did some good things to regulate promoters and require disclosures from them. The problem is that there are a lot of good promoters. Some of the bad promoters, though, exploit fighters, and a lot of that is because the managers allow them to do it because of the relationships between the promoters and the managers.

As Mr. English indicated, the Ali Act tries to construct a firewall. That is the most poorest firewall you can imagine. It is simply not enforced.

Point No. 2: The Ali Act requires disclosures from promoters. However, there are numerous disclosures they need to make, and only one subsection says they need to be made under the penalty of perjury. So what good are the others if there is no penalty? Why one should be under oath and the others should not? Did the others not count? Why were they in the legislation?

Second, there are no disclosures by managers. Managers should be disclosing to their fighters every single source of income they get from a fight from anybody, and every relationship that manager has with anybody, specifically including the promoter, television networks, and everybody else. That who is supposed to be in the sport protecting the fighters, and they are not regulated properly.

We need a national organization to do that.

Point No. 3: Evander Holyfield and the other—Oscar de la Hoya and others can afford to have legal counsel. We need to find a way to provide legal counsel for fighters in this sport for all fighters in this sport.

You can make all the rules you want to make, but the fighters are not going to be protected if they don't understand what their

rights are and understand how to enforce them. Frankly, right now under the law, I don't know how to enforce them, because there is no enforcement mechanism.

But we need to find a way, and I recommend that we consider making all contracts entered into by boxers voidable by the boxer unless it was first reviewed by an attorney on the boxer's behalf. That would put the onus on the powerful parties in the sport to make sure that fighter was properly represented and knew what he was signing when he signed it.

What happens in this sport too much is that somebody will put a paper in front of a fighter and say I got \$10,000 in my pocket; sign it now or never. The boxer needs the money and signs, and he is stuck with something he doesn't understand. We got to do something about that, and legal counsel can do it, and Evander Holyfield agrees with that.

Point No. 4: There are a small group of powerful people in this sport who are responsible for a disproportionate portion of the ills and wrongs in this sport. However, there are also a pretty significant number of what I call the good guys in this sport. There are some honest people with integrity and competence who are trying to clean it up, and have been since I got in it 14 years ago.

When I got in the sport 14 years ago, I looked around and saw some things that made no sense to me, and I was told over and over again, you don't understand this sport. Well, guess what? Now I do understand, and those same things are still wrong.

I saw men, and I still see them now, and after 14 years of the good guys trying I reach out to the United States Federal Government and say we can't do it without you. We need your help. We have tried and tried and tried, and we cannot get there without help.

I was in the situation where my fighter was entitled to disclosures from a promoter. The promoter's agent showed me some numbers that were purported to be the numbers, and this is a big fight with millions and millions of dollars—purported to be the numbers that the promoter received.

I said, may I have a copy? The answer was, no, you may not have a copy; the Ali Act doesn't say you get a copy. It says we need to disclose; we have disclosed—allowing the promoter the latitude later when I proved those numbers were false to say that isn't what I showed you, and I have no proof of what was shown to me.

Now I sure wish I had somewhere to go with that. I wish I had a United States Boxing Commission where I could take that. You know what? If there had been a United States Boxing Commission, that wouldn't have happened, because the promoter would have known he couldn't get away with it. We need Federal legislation to clean this sport up.

Thank you.

[The prepared statement of James J. Thomas II follows:]

#### PREPARED STATEMENT OF JAMES J. THOMAS II

All good fighters know how to protect themselves inside the ring, but many fighters have little or no knowledge of how to protect themselves outside the ring. The true stories of fighters being taken advantage of are too numerous to count. Most of the blame for these sad stories is properly placed upon unscrupulous people who use superior power or knowledge or experience to harm fighters, but some of the

responsibility must rest upon the shoulders of the fighters themselves. Just as fighters have a responsibility to take the time and effort to learn how to protect themselves in the ring, they have the same responsibility to take the time and effort to learn how to take care of themselves outside the ring.

For more than a decade, I have been fighting to protect the rights of Evander Holyfield and other fighters. Evander is well known as one of the most successful fighters in history, not only inside the ring, but outside as well. I realize that Evander has financial resources available to him that many other fighters do not have and that he can afford to hire whoever he thinks is the best in each position on his team, and I know that is not the case for many other fighters. But I also believe there are some rules of self-defense in business matters that any fighter can follow that will help him or her avoid becoming one more sad story, regardless of financial resources. The one thing all of my suggested rules have in common is that they are all aimed at helping the boxer surround himself with the right people. Just as a fighter relies upon his cornermen in the ring, outside the ring the fighter's defense relies heavily on having the right people in his "corner".

*Rule No. 1: Understand the difference between a manager and a promoter and what their respective duties and obligations are.*

Many people, not just fighters, are confused about the differences between the duties and obligations of a manager, and the duties and obligations of a promoter. There are fundamental differences that must be thoroughly understood for a boxer to be properly protected and have appropriate expectations.

A fighter's manager is typically the fighter's primary negotiating agent and representative. A manager typically has what is called a "fiduciary duty" to his fighter, which means the manager must act in the fighter's best interest, and the fighter has the right to trust the manager to work to advance and protect the interests of the fighter. One of a manager's most important functions is to do his best to negotiate on behalf of the fighter to obtain for the fighter as much compensation as possible for each bout. In most cases, that means the manager is negotiating for the fighter and against the promoter of the fight, who is typically attempting to pay the least the promoter can pay for the services of the fighter. In many ways, the manager-fighter relationship is similar to the attorney-client relationship in that both managers and attorneys are obligated to fight on behalf of their "clients", and to avoid conflicts of interest as much as possible. Typically, a manager's compensation is, and should be, a percentage of the fighter's compensation so that the manager's financial interests are completely aligned with the fighter's financial interests.

The relationship between a fighter and a promoter is fundamentally different from the relationship between a fighter and a manager. Whereas the relationship between a fighter and his manager is primarily a personal relationship based upon trust, the relationship between a fighter and a fight promoter is primarily a business relationship based upon economics. The promoter's function is entirely different from the manager's function. The promoter is the producer of the boxing event, not the representative of any of the participants. It is entirely proper for a promoter to attempt to maximize his own profit from each fight promotion, because the promoter is supposed to be the party that takes the financial risk of the fight promotion. Each fight promotion has projected revenues (reward) and projected expenses (risk). The promoter increases his profit potential and decreases his risk of loss by maximizing revenues and minimizing expenses. The primary way the promoter increases revenues is by "promoting" the fight by attempting to create interest in the fight to maximize sales of tickets and television viewership. By far, the greatest expenses of a fight promotion are the purses paid to the fighters. Consequently, the primary way a promoter minimizes expenses so as to maximize profit is to pay each fighter as little as possible. The bottom line is that there is a limited "pot" of net revenues (total revenues minus expenses) available from each fight promotion. That "pot" is divided among the promoter and the fighters based upon the bout agreements entered into between the promoter and the fighters. The more the fighter is paid, the less profit the promoter makes, and the less the fighter is paid, the more profit the promoter makes.

There is absolutely nothing wrong with this economic model. It reflects the fundamental American economic ideal of free enterprise, but it also demonstrates that the economic interests of the promoter and the fighter with respect to any given fight are diametrically opposed. A full understanding and acceptance of this reality is the first and necessary step for a fighter to take in protecting himself outside the ring. No matter how many times a promoter calls himself a fighter's promoter, the fighter should not look to the promoter to protect his economic interests. That is the fighter's manager's job. The promoter's job is to promote the fight event, and, absent a contractual obligation to pay more, he has every right to try to make as much profit

for himself as possible by paying the fighter as little as the fighter and his manager will accept.

As a result of the fundamental conflict of economic interests between the promoter and the fighter, the law generally does not impose upon a promoter a “fiduciary duty” to the fighter. In other words, the fighter has no legal right to expect the promoter to protect the interests of the fighter. The law does typically impose upon the promoter an implied duty to perform his contractual obligations to the fighter in good faith and in a fair manner, but beyond that implied duty, the law typically does not create duties of the promoter to the fighter beyond the duties set forth in the promotional contract between the fighter and the promoter.

All of this is not to say or imply that a good promoter cannot help advance the career of a fighter signed to the promoter. A promoter certainly does have that ability, and many promoters have done so for many fighters. Although the economic interests of the promoter and the fighter are in conflict with respect to the expense side of a promotion, in the long-term, the interests are somewhat aligned on the revenue side. The more a promoter can do to create interest in a fighter signed to the promoter, the more revenue the promoter can generate in future events and the more the promoter can afford to pay the fighter while still making a fair profit. On this aspect of the promotional relationship, the promoter and manager need to work together as a team on behalf of the fighter because the economic interests of the fighter, his manager, and the promoter are all advanced by building the popularity of the fighter, which ultimately increases the “pot”.

In summary, there are fundamental differences between the relationship between a fighter and his manager and the relationship between a fighter and the promoter who has the promotional rights to the fighter’s fights. These differences do not make managers better or worse than promoters, they simply mean that the fighter needs to look for different things from the two. A promoter is fulfilling his obligations to a fighter when he is living up to his promotional contract. A manager is doing his job when he is making sure the promoter is living up to the promoter’s contractual obligations to the fighter. There are several consequences of these differences.

A) Obviously a manager must be knowledgeable and competent, but once that is established, the most important factor in choosing a manager is whether he is trustworthy. The manager is the fighter’s representative; his loyalty must be unquestionable. No matter what a manager’s contract provides, if he is not truly on the side of the fighter, he will be in position to harm the fighter or allow the fighter to be taken advantage of.

B) Obviously, a promoter must be competent and have sufficient resources (such as television access) to promote fights effectively, but once that is established, the most important factor in choosing a promoter is what the promoter is willing to commit to in writing in a promotional contract. The promoter is not the fighter’s representative, and has no duty of trust or loyalty. The promoter’s duty is to do what the promotional contract says he will do, although he must do so in good faith and in a fair manner. Too many fighters sign with a promoter based upon oral assurances that he will do things other than what the contract says. That is a mistake. Every promotional contract provides that the promoter’s obligations are limited to the written provisions of the contract. When everyone is getting along, promoters often go beyond their written obligations, but when the relationship is strained for any reason, a fighter can expect to receive only what the promoter has committed to do in writing, even though the law may impose other implied duties, enforcing those additional implied duties usually requires litigation, which is expensive, time-consuming, and uncertain.

C) In choosing both a manager and a promoter, a fighter must consider carefully the relationship between the manager and the promoter. There have been well-known instances in which the manager’s relationship with a given promoter has been more important to him than his relationship with the fighter. After all, some managers reason, “fighters come and go, but the promoter will be here for a long time.” Even worse is the completely incomprehensible situation in which a manager actually works for, or is otherwise under the control or influence of, the fighter’s promoter. If a manager is not willing and completely free to go to war with his fighter’s promoter, if and when necessary and appropriate, the manager cannot represent his fighter adequately.

D) Beware of managers who are also promoters. With some exceptions, the Ali Boxing Reform Act prohibits any individual from simultaneously acting as a manager and a promoter with respect to any given fighter and event. This does not literally prevent a fighter’s manager from acting as, or on behalf of, a promoter of an event that does not involve the fighter, but this can create a more subtle conflict of interest in the attitude of a manager. I believe a manager can best represent a fighter’s interests by consistently being on the side of the fighter in all boxing trans-

actions. I have generally avoided representation of parties whose interest are in conflict with fighters. My job is to protect and advance the interests of fighters, and I try to avoid being on "the other side of the table". A manager can adequately represent a fighter and be a promoter of other events, but it requires a difficult change of orientation.

*Rule No. 2: Take the time and make the effort to know as much as possible about the people you contract with.*

Every prospective manager and promoter who has ever talked to a fighter has promised to take care of him. A fighter must go beyond the self-interested talk of the prospective manager or promoter and do some "due diligence." This is harder than it should be, because there is far too much misinformation floating around in the boxing world, and even the best people are unfairly attacked behind their backs by competitors. But if you try hard to solicit opinions from people with good reputations who have nothing to gain or lose, you can get a pretty good idea how people in the boxing business operate. Don't listen to attacks from competitors, but when there is too much smoke from reliable and disinterested sources, there is usually fire and danger.

*Rule No. 3: Avoid people who do not want you to obtain independent advice from a lawyer.*

We are all painfully aware that there are many unscrupulous lawyers, but my many years of experience have taught me beyond doubt that there are many more honest lawyers than dishonest. Perhaps even more important, the vast majority of lawyers do not want to lose their licenses to practice their livelihoods. A lawyer has a legal and ethical duty to put his client's interests above all others including his own. Most reputable lawyers take this duty very seriously. If a prospective manager or promoter objects to your having a proposed contract reviewed by a reputable lawyer of your choice, that is a huge red flag. I represent a number of fighters as manager, and I uniformly insist that they obtain independent legal advice before signing a contract with me. Anyone who fears that kind of scrutiny is probably not someone you want to be associated with. And don't fall for the argument that "you know how lawyers are; they always find what's wrong with everything." You need to know not only what all the benefits of a proposed contract are, but also what all the risks are and how the contract might be made better for you.

*Rule No. 4: Limit your team to people who have a necessary job and do it well.*

It doesn't matter how well a fighter is protected outside the ring if people other than the boxer are ending up with too much of the boxer's money or giving the boxer bad advice. While having a large "entourage" is a tradition in boxing, in my view, it is a mistake for two reasons. First, every unnecessary member of the team takes hard-earned money out of the fighter's pocket one way or another. Second, having a group of people around who do not have specific jobs inevitably results in conflicts and disharmony as those without jobs constantly second-guess those who do have jobs.

Evander Holyfield is one of the most successful fighters in boxing history, and has one of the smallest teams ever for a heavyweight champion. Team Holyfield consists of fewer than ten people, and every one of us has a specific and necessary role. While every member of Team Holyfield is generously compensated, Evander still retains a higher percentage of his purse than any fighter I know of. That is how it should work.

*Rule No. 5: One way or another, make sure you have a lawyer on your side.*

A good, smart, competent, and tough manager can go a long way toward protecting a fighter outside the ring, but when it comes to protecting and enforcing a fighter's rights, a lawyer who truly understands the boxing world is the ultimate defense. This is not just my view, but also the view of the only Four-Time Heavyweight Champion of the World, Evander Holyfield. As I indicated at the outset, I realize that having a lawyer on your side is easier said than done, especially early in a fighter's career when he has little or no money, but there are ways to overcome the financial hurdle.

First, you can engage a manager or boxing management company with legal expertise. World Class Boxing, of which I serve as President, provides boxing management services, along with legal expertise, and there are other reputable managers who provide legal expertise as well. Another option is to hire a management team consisting of a boxing management expert and a lawyer with boxing experience. That is how Michael Grant operates with his management team consisting of my colleague, Craig Hamilton, and myself. Similarly, WBA Heavyweight Champion John Ruiz has been managed jointly by Norman Stone and Attorney Tony

Cardinale. Obviously, a manager can hire a lawyer to represent the fighter but that results in additional expense to the fighter and the lawyer hired would not know the facts and circumstances on a first-hand basis. In most instances, a manager who is a lawyer or has a lawyer for a teammate can protect a fighter in ways that a manager who is not a lawyer or affiliated with a lawyer cannot.

Second, a fighter should be able to find a reputable lawyer who will help him without compensation. There are many lawyers who are "sports nuts" and would love to help an emerging boxer. Obviously, it is better to have a lawyer who understands the boxing world, but a lawyer unfamiliar with boxing can nevertheless provide valuable protection. Basically, the issues, other than those dealing with the sanctioning bodies, are contract law issues that most lawyers are competent to handle. Also, throughout the United States, there are "Legal Aid Societies" that supply legal services to people who cannot afford a lawyer. Most of the lawyers who work at Legal Aid are extremely competent, dedicated young lawyers who want to help those in need before going to work for private firms. Any fighter can call his local Bar Association and get the telephone number of the Legal Aid Society in his area and should be able to obtain legal counsel at no cost. In addition to generalized legal services available through Legal Aid Societies, I am planning to organize a group of volunteer lawyers in Atlanta who will represent athletes at no cost, and I call upon lawyers all over the country to do the same in their respective communities.

#### *Summary and Conclusion*

Learning how to protect oneself outside the ring is a critically-important part of the job of being a professional boxer. Boxing is a tough way to make a living, and involves risks most other professions do not require. Those risks are worth taking only if a fighter receives in return for his services what he deserves. People watch boxing to see the boxers. The other people in boxing are important and necessary, but the boxers should receive the bulk of the profits made from their efforts. By following the advice set forth above, boxers can learn to defend themselves outside the ring as well as inside and make sure they are the primary beneficiaries of their own courage and efforts.

Mr. STEARNS. I thank you gentlemen for your eloquent presentations. Let me start off by saying: When you look at this question, and I think most people on this side, Members of Congress, would agree with you, it is a little bit puzzling to us why there has not been a national commission.

I am a realtor. When a person sits down to get a mortgage from a bank or goes to buy a property, we have a standard procedure to do that. So even buying a house, whether it is \$50,000 to \$2 or \$3 million, there are standard procedures that you do to protect the buyer of the home, and also the seller.

It would seem, when you have a legal contract dealing with boxing which represents sometimes mega-bucks, that there should be some standard procedures that are recognized across the 50 States. So, Mr. Thomas, the fact that you couldn't get the disclosure form and then later they pulled the rug out from under you and said, by golly, that is not what we showed you, you are not telling the truth, and you really look like you are not telling the truth, because you have no way to corroborate your own statements.

So, you know, from us who are sitting up here, it just seems like, by golly, this should be put in place. Now there is, obviously, a lot of money involved, a lot of politics involved, that's preventing this. But Mr. Sirb and Mr. English have made some very good points.

Before we start, let me—just as a layman looking at this, I was confused with the WBA, the WBC and the IBF. Now I see somebody is a world champion of the WBA and then a world champion of IBF. What I don't understand is shouldn't all this be one organization so that, when we have a champ, he is champion of everything and not just this. And would a national commission cause these to come together or would they still remain separate? This



is just sort of a minor question. It has always been bugging me. So I thought I would get it on the floor. Mr. Thomas?

Mr. THOMAS. I will respond to that.

Mr. STEARNS. The real basic question is: If we had a national commission, would we still be looking at three separate organizations that we would have to look in 50 different States at?

Mr. THOMAS. My response is, with all due respect to Mr. Mack who I have great respect for, and he does a good job for his clients, I would submit to you that most of the people in the sport of boxing are afraid of the sanctioning organizations because of the power they have.

Mr. STEARNS. Afraid of what?

Mr. THOMAS. Afraid of the sanctioning organizations, the IBF, the WBC, the WBA. There is now a WBO. The reason is that, if you are crossways with the organization and your fighter just isn't getting promoted, you really can't prove that. So you don't want to come out and criticize. You can be blackballed in the WBA but not in the IBF.

If you look at the ratings, there is no correlation among the four major organizations.

Mr. STEARNS. That is another thing that is puzzling, because when I try to understand in any of these three categories I am familiar with, I didn't quite understand how you determine who was the best of the three.

Mr. THOMAS. Well, my opinion is that a lot of people are reluctant to criticize these organizations, because they don't want their fighters to get hurt. I frankly don't care about it anymore. I am not worried about it anymore. I will get out of boxing before I kowtow to those organizations.

Mr. STEARNS. Do you even feel in yourself as a high powered attorney that one of these organizations could blackball you?

Mr. THOMAS. Sure.

Mr. STEARNS. That is your concern?

Mr. THOMAS. Yes. Yes, I don't want them to have me on a bad list and my fighters get not, not because I get hurt.

Mr. STEARNS. I understand. If we had a national commission, do you think that would prevent you from being blackballed? At least, you would have someplace to go.

Mr. THOMAS. These are private organizations who started themselves up and decided that we are going to rate fighters and, if you want to fight for a championship, you pay me a fee and I will rate your fighters.

That is why they were formed. There could be 14 of them or 44 of them. There is nothing to stop it. I mean, this is another topic for another day.

Mr. STEARNS. Oh, I know. I know.

Mr. THOMAS. But a national—maybe we have something, a regulated organization that rates fighters properly, and we have all been talking about that forever. We just don't know how to make it happen.

Mr. STEARNS. Mr. Mack?

Mr. MACK. If I may—

Mr. STEARNS. I mean, that is pretty powerful when you have a high powered lawyer say that he is concerned that he could be

blackballed. Can you imagine what the promoter and the manager and all the underlings feel if this gentleman feels that? I mean, that is pretty powerful stuff here.

Mr. MACK. Well, Mr. Chairman, I am a little surprised, but if I could respond to some of the points.

I am relatively new to boxing. I like——

Mr. STEARNS. What does relatively new mean?

Mr. MACK. The last 2 years, since the Ali Act.

Mr. STEARNS. Yes. Okay.

Mr. MACK. And some of the things Mr. Spizler is talking about. As a fan, I suppose I was surprised that different ranking organizations rate people differently. But if I just may make a few points.

The ratings have some subjective elements. One of the lesser ranking organizations tries to do it by computer, and their ratings don't comport with the others, because a lot of it is subjective. Who has fought whom? It is like Congressional races. Some of you have easy races, I hope. Some of you have difficult ones. So you vote totals may vary by that. So do fighters.

Second, we do recognize the championships of the other organizations, and the ABC just passed a resolution this year that will require us to do that in our rules.

Third, I would like a further discussion on what a U.S. commission would do. Would a U.S. commission rank fighters? Would it rank just American fighters or foreign fighters, and how would those be appealed? Would the fighter have to file an appeal under the Administrative Procedure Act, by the USBS's ratings?

Those are serious issues. We do have appeals procedures. We have boxers and boxing writers complain about our ratings. But as I said, of the number of appeals we have or requests for ratings are really very few, when you get right down to it.

So all I can say is between at least the top three organizations, some of the judgments are subjective. I just might add briefly, the judgments are made by committees with the IBF and the WBA that have meetings, have notes of the meetings, and they have a full discussion of the various factors that went into the ratings.

Mr. STEARNS. My time has expired, Mr. Mack, but I would be concerned. You have this new organization, the WBO. Do they have the standards that the WBA, you, have? And how do we know what standards they have, and how can we be assured that anyone working in the WBA is just not a front for something else and—I don't know.

Is there anybody else who would like to comment on my question. Then I am not asking anymore questions at this point. Mr. English?

Mr. ENGLISH. If I may. I have listened to a tape, and I cast no aspersions on the IBF. I will touch on that in a moment. But I have listened to a tape that I believe was played at the trial of Bob Lee. One of the statements on that tape is that malfeasance couldn't be proved, because ratings are subjective, as actually said by an official of a ratings organization.

I mentioned the IBF. I want to say very clearly that, since that Bob Lee situation, the IBF has done more than any other organization to clean itself up, and the current administration of the IBF,

in my opinion, has done a number of very laudable things to clean that up.

I listened to that tape, because we were—a client that I represented really blew the whistle on what Bob Lee was doing, and that client was, in fact, blackballed until Mr. Lee was removed from office by the IBF. It was a promotional company, Main Events.

The fighters did suffer, and there is a fear there. In the Act that is currently in place there is exhortatory language, and perhaps even it has some teeth to it, that requires some objectivity in the rankings. The organizations try with varying degrees of vigor to do that. Again, I think the IBF, frankly, does the best. But you may have the ratings in front of you. If you don't, I encourage you to look at them.

It is very troubling to see that there is almost no correspondence by the various ratings organizations as to who No. 1, No. 2, No. 3, No. 4 are. That undercuts the credibility of the sport, in my opinion, dramatically.

Mr. STEARNS. Okay. Mr. Spizler?

Mr. SPIZLER. If I may, very briefly, respond, MR. Chairman. I would like to note that, while the clean-up efforts of the IBF are certainly admirable, the committee should be aware that they are currently under a Federal monitor at the present time, a rather unique scenario which I believe came in the aftermath of the Lee prosecution.

I most importantly wanted to note that under the Professional Boxers Amendments Act of 2004 that we are talking about here today, the United States Boxing Commission would not rank boxers, and there would still be multiple sanctioning organizations. However, what is so significant is that, for the first time ever, sanctioning organizations would be licensed, and they would be regulated.

Perhaps even more importantly, under the USBC—the USBC would be called upon under this Act to create objective rating criteria that must be adopted by each and every sanctioning organization within 90 days of the setting forth of that ranking criteria and, of course, must abide by that ranking criteria.

So uniformity would be applied across the board to all sanctioning organizations.

Mr. STEARNS. I thank you. My time has expired. The gentlelady, Ms. Schakowsky.

Ms. SCHAKOWSKY. Am I right in hearing that, of the five of you, four do believe, whether or not you support to the word that legislation that has—that the Senate legislation does support—you all support, except for you, Mr. Mack, Federal legislation? I am looking at your testimony, Mr. Mack, where you say it is not necessary to create a new Federal agency, which is the centerpiece, really, of the Senate bill.

Mr. MACK. That is correct.

Ms. SCHAKOWSKY. So is that true? You know, I have to tell you that it is very rare on any issue that people that are associated with a particular industry, if you will, come to us and say we need your help, as you did explicitly, and we need Federal legislation. I find that, in and of itself, to be extremely compelling.

Mr. Mack, in your summary of your testimony you say that it would duplicate current requirements—your objections—substantially expand Federal authority, impose unreasonable requirements.

What I am hearing is, from the others, that the current legislation has such great loopholes in it and lacking such teeth that, in fact, there is no particular burden. In fact, there is an adequate burden.

Mr.—I am going to quit in a minute and let all of you respond in the way you want, but Mr. English, I was looking at your example two that you didn't talk about where California commission has decided—this is a quote—"that to enhance the dramatic effect of the series, results, including medical suspensions, will not be reported to the national registry." And apparently, because the commission sets its own rules, maybe they can do that, just decide the rules.

Mr. ENGLISH. Well, they are doing it, but they can't do it in the sense that there is Federal legislation. This is something that really, frankly, bothers me, because while I am sure that the producers of the particular series—series; there's two—have not evil intent, you have to have uniformity.

If I am a powerful promoter, and I represent a powerful promoter, I should not be able to come in and change the rules for, "dramatic impact." The rules are meant to apply to everyone, and that particular rule is a health and safety rule, which makes it even more important that it be applied.

So if this happens, to me, that sticks out like a sore thumb.

Ms. SCHAKOWSKY. And the examples of subjectivity of ranking or rating sounds to me that the subjectivity is largely or at least in part can—in the past has been determined by the size of the contribution, if you will, a problem that we have also tried to deal with in campaign financing forum and in other aspects of life.

So I would like to get your justification, Mr. Mack, of leaving the situation as it is after very compelling arguments and testimony from Mr. Muhammad Ali why anyone would approach this and say that we don't need as a Federal Government to act to create, in my view, the most important to health and safety of fighters and their financial wellbeing.

Mr. MACK. Representative Schakowsky, if I can make some—I hope I pronounced that correctly.

Ms. SCHAKOWSKY. That is correct.

Mr. MACK. If I can respond with a few points. First of all, I am not here to justify everything that happened before the year 2000 with all of the ranking organizations. So the horror stories you have heard, I am not here to respond to those.

What we have tried to do since you passed the 1996 bill and the 2000 bill, we have tried to change our procedures. We have made an extra special effort to be transparent, and that is the point I wanted to make.

So some of what you have heard is B.C., and I am talking about A.D. I am talking about after the passage of the 200 Act.

Second, I wouldn't want you to interpret my testimony to say that there is no further role for legislation by the Federal Government and by the Congress. What we think is that S. 275 goes too

far. There are things that you could do for health and safety of the boxers.

I wish to correct a mischaracterization here. Sanctioning organizations may be subject to greater regulation by the States, and the State of Nevada, in fact, recently amended its regulations to authorize the licensing of us by the States.

Why Mr. Spizler's States or Mr. Sirb's hasn't done that, I don't know, but at least one other State has.

Ms. SCHAKOWSKY. But, Mr. Mack, you asked the question, would the USBA be required to do the rankings. I mean, if you have read the bill, you should know that it would develop guidelines for the sanctioning organizations to use in rating boxers and that the sanctioning organizations would have to make available to the public and to the USBA any changes in rank for top 10 boxers.

So disclosure of the information. So it would not do the rankings.

Mr. MACK. But if I may point out, you gave the same authority to the Association of Boxing Commissions. They did adopt ranking criteria, which we adopted in our rules. Nevertheless, you heard today disputes over how those are applied, whether they are applied equally across the board.

The same thing would happen if the new commission created certain criteria. We would put them in our rules, but there still may be variations on how we apply them. So I think you will always have those variations unless you have one agency or authorize one private entity to do the ratings for the country.

I am not telling you that there aren't any problems with the ratings or understanding them. But I don't think the proposed bill as written solves all the problems you have identified.

Ms. SCHAKOWSKY. Yes, Mr. Sirb?

Mr. SIRB. Ms. Schakowsky, let's talk about a rating, very specific. Last year, 2003, February, WBC, World Boxing Council, one of the most powerful organizations had a fight. Eric Morales dominated, 126 pounder, pure puncher. Record, 42 and 1. Was the world title holder and should have been the world title holder.

Eddie Croft—this is just last year, in the new year. Eddie Croft, 23-7-1, not a bad record until you look at it. He hadn't fought in 3 years. He had lost his previous three fights all by knockout. He fought for a world title. Anybody want to guess what the outcome was? Lost by TKO. That is the ranking.

In this bill 275 it gives specific authority to the national body to set objective criteria which they must follow. In the bill that stands now it is only if you want to follow. There is no teeth at all in the bill now. We did at the ABC come up what we thought was objective criteria. Some organizations bought it; some didn't. Some did when it was a certain fighter. When it didn't work with a certain fighter, they didn't.

In the bill that you have before you right now, the objective criteria would be set. if I come up and I knock out Mr. Mack, I deserve to be ranked above Mr. Mack, not because I am not with the right promoter, I don't have enough money, I may not be the right color. I win. I get above you. That is objective criteria that anybody can understand.

Mr. MACK. We would be in different weight categories, though.

Mr. SIRB. It wouldn't bother me.

Ms. SCHAKOWSKY. Mr. Chairman, if you would, let others—Mr. Thomas wanted to respond.

Mr. STEARNS. Sure. Go ahead.

Mr. THOMAS. First, Congresswoman Schakowsky, I think one of the things you said resonates with me. We sound like a bunch of teenagers who want the parents to give us a curfew. I mean—

Ms. SCHAKOWSKY. Oh, no, I didn't mean that in a critical way.

Mr. THOMAS. No, I wasn't critical. What I am saying is it is unusual. We don't want to be regulated. We need to be regulated. We represent, the four of us, fighters/managers, promoters and regulators, and all of us say we need your help.

It is only the organizations, the sanctioning organizations, who don't think we should do this. We are open to scrutiny, want scrutiny. They don't. It is as simple as that on why we are apart on these issues.

I think there is something very important about a boxing commission in licensing these organizations, because right now, when they don't comply, what happens? I mean, what happens to them? But if they were licensed, they could lose their licenses, and that would put them out of business. I think that would drive reform in those organizations better than anything else, the fear of losing the right to conduct business.

Mr. SPIZLER. If I may add, Mr. Mack referenced that Nevada has just recently adopted provisions providing for the sanctioning organization licensure. I would suggest that, in the absence of uniformity around the country, if a sanctioning organizations was suspended in Nevada—of course, Nevada being perhaps the capital of boxing in the world—nevertheless, the sanctioning organization can simply to another State and function without any form of reciprocity being applied to that suspension.

So it again is uniformity that is so mandatory to effectuate the appropriate reform.

Mr. STEARNS. Mr. Shimkus?

Mr. SHIMKUS. Thank you, Mr. Chairman. Mr. Sirb, are you a boxer yourself?

Mr. SIRB. I was an amateur fighter, never turned pro.

Mr. SHIMKUS. I was going to say, your features—

Mr. SIRB. I take that as a compliment.

Mr. SHIMKUS. To any boxer, it is a compliment. It is a compliment. But I applaud those who have been in the ring and then have stayed in the business, in essence. I am a West Pointer, and West Point still requires plebe men to go through boxing, and we end that instruction with three matches of three rounds and, I think, 2 minutes each round. You really get an appreciation for the athleticism required in the ring, because you just can't hold your arms up when you get at the end of the second round.

So these guys who can continue to punch in the rounds that are in the teens, it is just an amazing physical feat.

I would concur with my colleague from Illinois. We have got to do a better job for these athletes who, for many different reasons, are in this, some for the love of the sport, some this is their ticket out, and great opportunities exist. But they have also—we also know they have been preyed upon, and it does a disservice to ev-

everybody except for those who do the preying. So I applaud the chairman for bringing this up.

I have a townhouse here with three other Members of Congress. So after we vote, you know, we eventually gravitate to our residence and we sit around and drink a beer and swap stories and maybe turn on the TV. I notice that there are now—there was two nights ago a reality show on boxing.

I don't watch much TV, and I am not really enamored with reality shows, to begin with. Talk about this new avenue. Are they sanctioned? Are they licensed? Are they abusive? What is your evaluation of this new advent on boxing which is reality TV boxing? One guy, they rated him. A guy did situps, and he got rated No. 1, and then the guys at the bottom—I think there's 12, 12 boxers, and then one guy has to pick one guy in the top 3 to box. That is when I turned it off, but it is really a new—will it impact any of this discussion and debate that we are having here or is it just a show, and we take it for what it is?

Mr. SIRB. I think it is basically a show, and take it as it is. One of the concerns I had—Our understanding is that in California the commission is overseeing the event. But our concern that Mr. English had brought up and one of the concerns I had: If a kid gets knocked out—I mean, this is fights, as you saw. I mean, there is a kid throwing a right hand to your face, and if someone got knocked out but in the interest of the show don't tell anybody because it would give away the endings, how about if that kid that got knocked out then came to Pennsylvania to fight?

Mr. SHIMKUS. Right.

Mr. SIRB. I wouldn't know it. I would not know that I've got a concussed kid ready to fight in my State, because it wasn't shown to the national registry in the interest of a show. Now I hope that doesn't occur, because if that does occur, there is going to be a major problem, or could be a major problem.

I ask all the members, if you had one thought, the people that will be against this bill—and there will be some. Don't get me wrong. Look who is for the bill: Ali, Roy Jones, Bernard Hopkins. Those are fighters. Those are our three biggest fighters right now in the country. Why would they be for this? Why would they be for this? That's all you have to ask yourself.

Mr. SHIMKUS. Mr. Spizler, you wanted to add to this?

Mr. SPIZLER. Yes, thank you. I just wanted to respond in regard to the reality show that you had brought up. It is my understanding, and I am not well versed in what happened but I am speaking secondhand perhaps hearsay—but it is my understanding that in regard to the suspensions that would occur—and this was done under the auspices of the California State Athletic Commission—that it was agreed in the contracts of the boxers that they voluntarily agreed to suspensive periods that were indeed reported to the national registry through including the last showing of the program.

So that all of those boxers consented to suspensions and did not fight and will not fight until the last program is broadcast. Whether that justifies the contravention of the literal interpretation of the law, one could argue. But there is some protective measures,

I believe, that were instituted along those lines. In all fairness, I wanted to make that point.

Mr. SHIMKUS. Sure. That is what we are here for, to find out information. Mr. English.

Mr. ENGLISH. Sitting behind me is Pat Panella, the Executive Director, I believe, of the Maryland Athletic Commission. He just whispered to me that he believes that that was a proposal, but it was not effectuated. The only thing I can say is that the contracts that I did see with respect to one of them did not contain such a clause.

Mr. SHIMKUS. So the answer that I am receiving as a Member of Congress is very much what you are putting up with as you come before us in legislation is. It is so vague. It is like wisps of smoke, and we really don't know. Then with any of those, the protection of the actual—the combatant in the ring who is giving his all, they lose the benefit of contractual obligations, due representation, safety issues as they get preyed upon.

Mr. Chairman, it was a great hearing. I appreciate the testimony of the folks on the panel.

Mr. STEARNS. Thank you. Ms. McCarthy.

Ms. MCCARTHY. Thank you, Mr. Chairman, and thank you to the panelists today.

Mr. Mack, I have—I want to pursue what our ranking member—that discussion she started, because I think that you and others at the table might want to weigh in. But by way of background, I have been a legislator for 28 years, first in the Missouri legislature, now here in the Congress, and we normally wouldn't intervene as legislators in a matter such as this unless the profession itself didn't choose to clean its act up.

So I look to you because of your role with the World Boxing Association and the International Boxing Federation to substantiate your criticism of S. 275 when you talk in your testimony about it being flawed. It would duplicate current requirements, but you don't really illuminate that to the degree that would satisfy, I think, other members of this panel, and certainly those on your panel.

Substantially expands Federal authority: We don't ever intend in the Congress to substantially expand Federal authority unless there is a need, and there are four witnesses around you who have made it quite clear—and one was Ali who testified before you—that there is a need.

Imposing requirements, I would like you to speak to first, because when it comes to health and safety, how do you instill uniformity without Federal action? I am curious to hear how you plan to propose some sort of change within the current law. The current law is in place.

To get to the goals that we all seek, and I happen to share the views of the panelists around you, how do you propose to do that with the current law that you are supposed to uphold?

Mr. MACK. Well, Representative McCarthy, those are all very good points and questions.

Ms. MCCARTHY. Thank you.



Mr. MACK. First of all, as you know as a legislator, what you look to is what are the current problems, especially in the context of the legislation passed in 2000, and how would you address those.

I would just ask you to consider from all of the States—and you have heard from two here, but you haven't heard from all of them—how they believe the 2000 bill is being enacted, let's just say, from health and safety requirement for the boxers.

Ms. MCCARTHY. Is there uniformity?

Ms. MACK. I am not an expert on that. The State people who formed the Association of Boxing Commissions which you recognize in Federal statute were supposed to bring about uniformity. What I have heard this morning is there isn't uniformity, which is not my organization's fault, by the way.

Ms. MCCARTHY. You are boxing sanctioning bodies, I am told by the summary of your testimony, the WBA and the IBF which are boxing sanctioning bodies. If not you, who? If not now, when?

Mr. MACK. Yes. Representative McCarthy, with regard to what we do, which is the ratings and the sanction of championship fights, we do comply—and by the way, I have been joined by the president of the IBF. Marian Muhammad is in the audience, if you want to hear from her. We do comply with all State regulations, all tribal regulations, the Federal Act and, I might add, foreign acts. We have to comply with the provisions of other nations and boxing federations.

We do not primarily—although we are concerned with the health and safety of boxers, that is not primarily our duty. Our duty—

Ms. MCCARTHY. Whose is it?

Mr. MACK. Well, it is with the States. It is with the people who put on the fights.

Ms. MCCARTHY. Is there uniformity within the States, to your knowledge?

Mr. MACK. I couldn't speak to that. I can tell you this. We have tried at our conferences through our medical seminars and that sort of thing to get as much uniformity as possible. If I could speak—

Ms. MCCARTHY. Who can assure uniformity of health and safety, if not you?

Mr. MACK. As I understand the legislation you passed in 2000, that was to be the goal of the Association of Boxing Commissions. That was my understanding, chaired, I might add, by someone from your State.

Now whether they have done that or not, you would have to hear from Mr. Spizler or Mr. Sirb, both of whose States belong to that organization.

Mr. SPIZLER. I would very much like to respond to that.

Ms. MCCARTHY. Yes, sir?

Mr. MACK. But if I may respond to one other thing. We provided a notary letter to the committee, but I am not suggesting that everything in S. 275 is flawed, but if I could just give you one example, since you have asked about it.

If you look at Section 207 on misconduct, which would apply to us, the Commission would be able to lift our license, not if we had done anything wrong, not if they suspected we had done anything wrong, but there is a last subsection in that section that says, if

it is necessary for the protection of the health and safety or is otherwise in the public interest.

So we could have acted in a manner more chaste than Caesar's wife, but if the Commission believes our activities in the future might be a violation of public interest, under the bill you have, the Senate bill, they could lift our license. Now we think that is too broad.

If we are going to be licensed, we would like a fair licensing provision. That is just one example.

Ms. MCCARTHY. Well, any suggestions, Mr. Mack, in the legislative process that—none of us feel that any bill is perfect, and that is why it goes through the process it is going through right now, which is hearings and study and hearing from the people affected.

So I would suggest to you that you send to this subcommittee a more detailed approach to exactly what it is that you object to, because your presentation today seems to be an overwhelming rejection of the whole concept of Federal expansion of authority.

I would much rather prefer that you had us, we on the committee, amend such a bill in order to address needs that are, in fact, not addressed by the bill.

Mr. MACK. Representative McCarthy, you are absolutely correct. In 5 minutes, I didn't think I could give an analysis, but we would be very happy to provide suggestions and analysis of those provisions and the sections that we think you should look at changing. I would be happy to do that, and it is a very fair comment.

Ms. MCCARTHY. I think that would be helpful to us. You know, I know you are just 2 years into this, but the legislative process is one of give and take. We look for wisdom from those that experience, but we don't take kindly to people who just oppose something because it is change.

Mr. MACK. I am 30 years into the legislative process, not in DC. So what I said, I am only 2 years into boxing. I understand that completely and will provide you detailed comments.

Ms. MCCARTHY. Thank you very much. I yield back, Mr. Chairman.

Mr. STEARNS. I thank the gentlelady.

Ms. MCCARTHY. Oh, wait. Someone wanted to comment. I am sorry.

Mr. SPIZLER. Thank you very much, Congresswoman. I just felt compelled to respond to Mr. Mack's assertion that there was no need for Federal oversight because uniformity and the role of uniformity is imposed or has been imposed upon the Association of Boxing Commissions.

I think it is important for the committee to understand what the Association of Boxing Commissions is. It was incorporated in 1993. It is comprised of 58 State and tribal boxing commissions, and its noble goals and intentions are, notwithstanding its working members' efforts and stalwart dedication which are provided, by the way, strictly on a volunteer basis, totally absent any form of funding and is absent the necessary authority.

So if the ABC insists that something be done and a particular State declines to do it, the ABC has no authority other than to perhaps expel that State from its organization, which is self-defeating.

As far as uniformity is concerned, different States have different interests. There are some States in the more rural areas of the country who are opposed to this bill, for example, because it mandates the presence of an ambulance be present at every boxing event in this country, with the argument being, well, the boxing event is held in a more rural area; it is too expensive to have an ambulance there. The promoter won't put on the fight there and, therefore, we are going to lose revenues.

The idea of my having an ambulance present at a boxing event, to me, is absolutely absurd. So it is that kind of thing that doesn't allow the ABC to mandate uniformity. That is necessary to be mandated, and only through a Federal oversight can that mandate be accomplished.

Ms. MCCARTHY. Thank you for that addition, and I thank the committee.

Mr. STEARNS. Mr. Terry.

Mr. TERRY. Thank you, Mr. Chairman. Appreciate all of you being here.

I want to start off asking the devil advocate's question on why we are here today. But I want to lay some ground work first. I am a sports fan. I have been to many pro boxing matches in my hometown of Omaha, Nebraska, and am friends with several of our area boxers. Mouse Strauss is a promoter and kind of a character in the business, and Dickie Ryan and I went to the same high school and are good friends.

So I like the sport. I really do. But I will have to say that, just as a sports fan there is a perception out there that the boxing industry is just so inherently corrupt that they have made themselves irrelevant as a sport.

So I sit here looking at legislation from Congress where those that are still the purists and want it to be a sport have come to us and asked Congress to save boxing from itself. That is the bottom line here, you want Congress to act to save the sport.

My question is, why should we? If the powers that be in boxing want to make it irrelevant as a sport, make it an entertainment show like wrestling, and maybe the WBO is more like the WWE, why should we act? If that is the direction that those gatekeepers in boxing want to take, that it is just an entertainment show, why should we care? Why should we pass any legislation?

Who wants—I love your actions. You are like jabs, you know, quick, to the point.

Mr. SIRB. I will give it this, Congressman. You raise a valid issue. It goes back to that State's rights issue. Why get involved? The difference between easy—the kid in my industry is a kid, flat out. He can get injured seriously. It doesn't take a lot. If you have never been hit by a right hand to your head and then your leg goes numb—stuff can happen.

The first course of business for me, and I even look at the Federal Government—why should they get involved is the health and safety issue. If it is not there, I don't think you should get involved. Let the industry rule itself. But there is definitely a health and safety issue here.

I am convinced. The medicals are different from each State to each State to each tribal organization. They differ vastly in what

was required to be a pro boxer, and the difference is—the analogy: I saw Congressman Osborne here. Why would Congress get involved in athletic agents? They got involved in athletic agents because it was unscrupulous. They were hurting the athlete himself, maybe not physically like it is going to be in boxing, but financially hurting them. In boxing, it is both. Physically and financially, they are getting hurt.

Mr. TERRY. Let me interrupt and just follow up on that for a little bit of discussion here. I do agree that we are talking about the safety of the boxers. So doesn't that open the door to someone saying, especially from the testimony here about the corruption that is just so inherent in the industry that, even if we pass a Congressional Act to create some national organization which, by the way, other sports haven't had to come to Congress to create—that the corruption goes so deep that the promoters and the gatekeepers for the boxers and all of that—the corruption is still going to be there. They are going to find the cracks in it, and the water is going to seep through those cracks.

Why don't you just ban professional boxing, if it is really about the protection of those individuals? That is going to be a question we are asked. How do you answer it?

Mr. SIRB. The sports that I equate to pro boxing where it is physical: Football, hockey. Those equate to pro boxing. They are governed, maybe not by the Federal Government, but they are governed by the leagues.

Mr. TERRY. They have done it by themselves.

Mr. SIRB. They have done it by themselves. Their players also have unions, very strong unions that demand some physical capabilities and safety measures. Boxing has nothing. There is no union for fighters. There is no league. There is no one person you can go to. There is no commissioner that can make the call.

It makes for a very compelling argument when you look at it, and you are right. This has never happened in professional sports. It is a very unique sport that needs to have this type of oversight.

Mr. SPIZLER. If I may respond also, Congressman. Boxing, unlike any other professional sport in this country, but for its authorization and legalization by law, in effect is a crime. It is consensual assault, one person hitting another person.

All other sports can be conducted in the amateur divisions and otherwise without any kind of authorization by law, football, baseball, basketball, etcetera. Boxing is regulated by necessity by the government, because otherwise it is a crime. It is not being effectively regulated by State and tribal organizations at the present time, and there is a need for a national oversight.

You say, if the gatekeepers want it this way, then why not just let it be. The question there, I think, is answered with a question. Who should the gatekeepers be? It shouldn't be the sanctioning organizations. It shouldn't be a handful of powerful promoters, and it takes the Federal Government, as it is being asked by the members of this panel, to step in and become the gatekeepers and save the sport that is such a valuable asset, I think, to this country and as was so eloquently referenced by Mr. Ali.

Mr. TERRY. It is up to the chairman whether you—I am past my time.

Mr. STEARNS. Please. It is Mr. Terry's question. We will be glad to hear the answers from all of you.

Mr. THOMAS. Congressman, I have a couple of responses. First of all, Evander Holyfield was the ninth child of a mother with an elementary school education who lived in a public housing project in Atlanta. He now has enough wealth to take care of thousands of people, which he does every year. He has done a lot of good with what he's got, and he never would have gotten it without the opportunity of boxing. He wasn't good enough in any other sport. To a lesser degree, there are thousands and thousands of young kids out there who pull themselves up through the sport of boxing.

So there is a reason to have boxing out there, I think. It is a noble sport when it is done right. I go back to what I said earlier. There are a small number of powerful people in this business who account for a large majority of the ills. If we had somebody we could go to, to regulate them and get them in line or get them out, one or the other, we would have a good sport. But we cannot come together as a group because of what Mr. Spizler said, because of the way we are not organized, not the way we are organized.

We need a central body that we can go to, to put the spotlight on the bad guys, and we can have a very good sport.

Mr. STEARNS. I thank the gentleman. The gentleman from Texas, Mr. Green.

Mr. GREEN. Thank you, Mr. Chairman. I have just some general questions, I guess, and I would like my full statement to be placed into the record.

Mr. STEARNS. By unanimous consent, so ordered.

[The prepared statement of Hon. Gene Green follows:]

PREPARED STATEMENT OF HON. GENE GREEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

I'd like to thank Chairman Stearns and Ranking Member Schakowsky for holding this important hearing.

I'd like to thank Mr. Ali for joining us for this hearing as it is the Muhammad Ali Boxing Reform Act of 2000 from which we seek to build a stronger foundation for Boxing as a professional sport.

Boxing is the only professional sport with out a national governing body. With millions of dollars on at stake when 2 men go into the ring, I think it is in the best interest of the fighters, managers and boxing as a sport to bring some uniform regulations into the industry.

I've taken an increased interest in boxing recently as Juan Diaz; a resident of my Congressional District recently won the World Boxing Association Lightweight Championship in our hometown of Houston.

This bout, like hundreds held across this country, revealed the global impact this sport has. Mr. Diaz defeated Lakva Sim, a citizen of Mongolia.

Many view boxing as a "pure sport" consisting of 2 men battling in an arena where the best man wins. There is no fancy equipment other than gloves, shoes and a mouthpiece. However, behind the scenes, contract negotiations and bout contracts are anything but pure. They are complicated business deals totaling at times over \$100 million for one bout.

Also, there are medical concerns. Medical requirements vary from state to state and it is not unheard of for a fighter to fail the physical requirements to fight in one state and be able to fight the next day in another.

There is clearly a need for us to examine this issue and I compel this committee to do what we can to improve this sport. I think we can provide a framework in which managers promoters and fighters can benefit, make a profit and provide safe bouts and entertainment for millions of boxing fans throughout this country.

I'd like nothing more than to see Congress ensure people like Juan Diaz have a fair chance to succeed in this sport.

Thank you Mr. Chairman. I yield the balance of my time.

Mr. GREEN. Recently, Juan Diaz, a resident of our district, won the World Boxing Association lightweight championship, and I have gotten to know a young man, Rocky Juarez, who went to the high school I did, who is also working his way into boxing. I have some concerns from what I have read in the testimony, particularly that there is not information sharing between the States, and you questioned whether an ambulance should be available. We have an ambulance available at our high school football games in Texas. Granted, that may be well attended, but we have 5,000 people and they can afford to have an ambulance there from the school district.

So I think there is a need for changing the Federal law. I would like to see fewer associations, simply because I think what I am seeing in boxing is a lessening ability of the average folks to be able to see it.

I know there is a lot of money being made, but I worry it is not made by the boxers. It is being made by the promoters, and that is natural, because they make the investment. But if there was a merging of the associations, that would be great. If the States communicated with each other, that would be great. And of course, the health and safety, because again, having played football in much older years, I was glad my son played soccer instead of football like I did because of the head injuries, even with a helmet, and you don't have helmets in boxing.

It is a sport, and it is a historic sport. I think we need to do something and follow up on the 1996 and 2000 law to make sure we can change some of the things in the sport to make sure it is still available for a lot of folks. I wish we had more boxing matches in Houston. We do have some, but nothing where—we can't compete with Las Vegas or other venues.

Again, Mr. Chairman, that is all I have, and I would like to have my full statement in the record, and I look forward to the——

Mr. STEARNS. I thank my colleague.

We have finished our questioning. I think I would just conclude by giving sort of a little wrap-up here.

Inasmuch as I think the consensus is that we favor a commission, a Federal commission, here, you would have to make the argument, the two arguments: One, since we passed in 1996 a boxing reform law, why isn't that being implemented and, shall we say, enforced?

I have the feeling that a lot of the good intentions in that bill are not being enforced by State Attorneys General, and that is probably something that is still up in the air.

The other point is you have NASCAR, and I don't think NASCAR has a Federal commission, and that is a very dangerous sport, Mr. Sirb. You know, we had recently one of the fastest racecar drivers in the world who died, and they voluntarily came together and put together a new design for the helmet and the seating arrangement in the cars. So is it possible that the various boxing commissions can do the same thing that the racecar—NASCAR does?

In the end, I think you have the sympathy and the will on this committee that we would like to help out and do a commission, and I think you have made a very good argument in favor of that. Obvi-

ously, Mr. Ali did the same thing with his wife, Lonnie, and his counsel.

So we hope that, if we can, to maybe work with Senator McCain and possibly Peter King who has a bill in the House in the Education and Labor Committee which also has jurisdiction over this, and see if we can do something.

We don't have enough time perhaps this year, but certainly this is something next year we hope to come back and perhaps have a legislative hearing and see if we can move to markup, even if it is something on the order of Senator McCain's bill, which I understand is not a heavily regulated bill. It is sort of a light rendition of the first attempt to do this.

So your time has been very well spent, I think, here. I thank all of you for your very articulate arguments. Mr. Sirb, you look like a United States Congressman. Don't let anybody tell you you don't.

So with that, I will close the hearing. Thank you.

[Whereupon, at 11:16 a.m., the subcommittee was adjourned.]

[Additional material submitted for the record follows:]

PREPARED STATEMENT OF HON. JOHN MCCAIN, CHAIRMAN, SENATE COMMITTEE ON  
COMMERCE, SCIENCE, AND TRANSPORTATION

Thank you, Chairman Stearns, for chairing this hearing to evaluate the regulation of the professional boxing industry and to discuss the need for boxing reform. I am pleased that the greatest heavyweight champion of all time, Muhammad Ali, will appear today in favor of reform.

Mr. Chairman, the title of your hearing today is "Examining Professional Boxing: Are Further Reforms Needed?" I would submit unequivocally that the answer is "yes." I have been an avid fan of boxing for nearly fifty years, and while I have derived great joy from it over the years, I continue to be saddened and dismayed by the recurring scandals that mar what is left of the sport's credibility. Professional boxing is in dire need of a regulatory scheme that creates a level playing field for all participants. The sport has become more the "red light district" of sport and less the "sweet science" over time, and without the adoption and implementation of uniform federal standards, I fear that the sport of boxing will continue its downward spiral.

Professional boxing is the only major sport in the United States that does not have a strong, centralized association or league to establish and enforce uniform rules and practices. There is no widely-established union of boxers, no collective body of promoters or managers, and no consistent level of regulation among state and tribal commissions. Due to the lack of uniform business practices and ethical standards, the sport of boxing has suffered from the physical and financial exploitation of its athletes.

The General Accounting Office (GAO) confirmed in a July 2003 report on professional boxing regulation that, because professional boxing is regulated predominantly on a state-by-state basis, there is a varying degree of oversight depending on the resources and priorities of each state or tribal commission. The report also indicates that the lack of consistency in compliance with federal boxing law among state and tribal commissions "does not provide adequate assurance that professional boxers are receiving the minimum protections established in federal law."

I have introduced and the Senate has passed unanimously the Professional Boxing Amendments Act. This legislation is designed to strengthen existing federal boxing laws by making uniform certain health and safety standards, establishing a centralized medical registry to be used by local commissions to protect boxers, reducing arbitrary practices of sanctioning organizations, and providing uniformity in ranking criteria and contractual guidelines. It also would establish a federal entity, the United States Boxing Commission (USBC or Commission), to promulgate minimum uniform standards for professional boxing and enforce federal boxing laws.

Despite Congress's efforts to address the problems that plague the sport of professional boxing by enacting the Professional Boxing Safety Act of 1996, and the Muhammad Ali Boxing Reform Act of 2000, boxing remains beset by a variety of problems, some beyond the scope of local regulation.

Despite these federal laws, which established minimum uniform standards to improve the health and safety of boxers and to better protect them from the unethical

business practices too often seen in boxing, promoters continue to steal fighters from each other, sanctioning organizations make unmerited ratings changes without offering adequate explanations, promoters refuse to pay fighters who have put their lives on the line, local boxing commissions fail to ensure the protection of boxers' health and safety, and boxers are contractually and financially exploited. Most recently, we have learned through press reports of a federal law enforcement investigation that reportedly may yield a dozen or more indictments for charges of fight fixing.

Effective public or private oversight has led to decades of scandals, controversies, unethical practices, and far too many unnecessary deaths in professional boxing. A tragic example of poor local regulation occurred just last year in Utah where a 35-year old boxer collapsed and died in a boxing ring. The young man should never have been allowed to participate in the bout given that he had suffered 25 consecutive losses over a three-year period leading up to the fight, including a loss only one month earlier to the same opponent he fought when he died. Mr. Chairman, while tragic in its own right, this is merely one in a seemingly endless series of incidents that continue to occur as a direct result of inadequate state regulation.

The bill that passed the Senate would improve existing boxing law, and also establish the USBC to better enforce such laws. The primary functions of the Commission would be to protect the health, safety, and general interests of boxers. More specifically, the USBC would, among other things: administer federal boxing laws and coordinate with other federal regulatory agencies to ensure that these laws are enforced; oversee all professional boxing matches in the United States; and work with the boxing industry and local commissions to improve the status and standards of the sport. The USBC also would maintain a centralized database of medical and statistical information pertaining to boxers in the United States that would be used confidentially by local commissions in making licensing decisions.

Since the introduction of the bill, there has been some confusion among local boxing commissions regarding the effect that this bill would have on them. Let me be clear. The purpose of the USBC would not be to micro-manage boxing by interfering with the daily operations of local boxing commissions. Instead, the USBC would work in consultation with local commissions, and only exercise its authority should reasonable grounds exist for intervention.

Mr. Chairman, the problems that plague the sport of professional boxing compromise the safety of boxers and undermine the credibility of the sport in the public's view. I am hopeful that your committee and the entire House of Representatives will consider the Senate-passed legislation that provides a realistic approach to curbing such problems.

Again, Mr. Chairman, thank you for holding this hearing, and I would request that my statement be included in the hearing record.

